



INFORMATIONAL MEMORANDUM

DFS- 07-07

ISSUED

Date April 10, 2007

Department of Financial Services

Alex Sink

Chief Financial Officer

All Carriers and Self-Insurers

Wage Loss Discount Factor Tables

Attached and provided for your use are the Wage Loss Discount Factor Tables that have been prepared by the Division of Workers' Compensation. Section 440.15(3)(b)8., Florida Statutes (1993), sets forth criteria for discounting total wages, salary and other remunerations when determining the amount of wage loss benefits due for any week beginning with the 25th month after maximum medical improvement (MMI). The attached Wage Loss Discount Factor Tables are prepared in accordance with Section 440.15(3)(b)8., Florida Statutes (1993) and are to be used for the purposes of determining wage loss benefits.

Questions regarding this may be directed to Patricia Goodgame, Insurance Administrator, Office of Data Quality and Collection with the Division of Workers' Compensation. Ms. Goodgame may be contacted by email at goodgamep@dfs.state.fl.us or, by phone, at (850) 413-1754.

WAGE LOSS COMPUTATION OF DISCOUNT FACTOR

The C.P.I. for the *PREVIOUS* year shall be used to determine the discount factor for use in the *CURRENT* payment year when the C.P.I. is less than the 5 percent factor established July 1, 1980 pursuant to Section 440.15 (3) (b), F.S. (1993). The current discount factor is established by dividing the previous years' discount factor by the previous years' C.P.I. factor.

The weekly gross earnings reported by the claimant shall be multiplied by the established discount factors to produce the discounted gross earnings amounts to be used in the Wage Loss payment calculations.

U.S. DEPT. OF LABOR CONSUMER PRICE INDEX INFLATION FACTOR:

YEAR	C.P.I.
2005	1.0360
2006	1.0250

- I. When the 25th month following MMI occurs in 1983, the following discount factor will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT YEAR	DISCOUNT FACTOR
2006	0.4811
2007	0.4694

- II. When the 25th month following MMI occurs in 1984, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT YEAR	DISCOUNT FACTOR
2006	0.5000
2007	0.4878

- III. When the 25th month following MMI occurs in 1985, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT YEAR	DISCOUNT FACTOR
2006	0.5189
2007	0.5062

- IV. When the 25th month following MMI occurs in 1986 the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.5396
2007	0.5264

- V. When the 25th month following MMI occurs in 1987, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.5597
2007	0.5460

- VI. When the 25th month following MMI occurs in 1988, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.5657
2007	0.5519

- VII. When the 25th month following MMI occurs in 1989, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.5906
2007	0.5762

- VIII. When the 25th month following MMI occurs in 1990, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.6168
2007	0.6018

- IX. When the 25th month following MMI occurs in 1991, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.6454
2007	0.6297

- X. When the 25th month following MMI occurs in 1992, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.6776
2007	0.6611

- XI. When the 25th month following MMI occurs in 1993, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.6985
2007	0.6815

XII. When the 25th month following MMI occurs in 1994, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.7185
2007	0.7010

XIII. When the 25th month following MMI occurs in 1995, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.7382
2007	0.7202

XIV. When the 25th month following MMI occurs in 1996, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.7580
2007	0.7395

XV. When the 25th month following MMI occurs in 1997, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.7770
2007	0.7580

XVI. When the 25th month following MMI occurs in 1998, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.8026
2007	0.7830

XVII. When the 25th month following MMI occurs in 1999, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.8170
2007	0.7971

XVIII. When the 25th month following MMI occurs in 2000, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.8300
2007	0.8098

XIX. When the 25th month following MMI occurs in 2001, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.8525
2007	0.8317

XX. When the 25th month following MMI occurs in 2002, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.8815
2007	0.8600

XXI. When the 25th month following MMI occurs in 2003, the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.8956
2007	0.8738

XXII. When the 25th month following MMI occurs in 2004 the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.9170
2007	0.8946

XXIII. When the 25th month following MMI occurs in 2005 the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.9345
2007	0.9117

XXIV. When the 25th month following MMI occurs in 2006 the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2006	0.9653
2007	0.9418

XXV. When the 25th month following MMI occurs in 2007 the following discount factors will be used for each Wage Loss payment made for the 25th month and subsequent month during the calendar year indicated. The same discount factor will be used for all payments made to the same claimant during the same calendar year.

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2007	0.9761