



**INFORMATIONAL MEMORANDUM**

**DFS-04-001M**

**ISSUED**

**April 22, 2004**

Department of Financial Services

**Tom Gallagher**

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. Under the provisions of Section 440.15(3)(b)(8), Florida Statutes (1993), these tables are to be used in 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).

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](mailto:goodgamep@dfs.state.fl.us) or, by phone, at (850) 922-4477, ext. 156. or (850) 413-1754.

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

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

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<b>CALENDAR PAYMENT</b>	<b>DISCOUNT</b>
<i>YEAR</i>	<i>YEAR</i>
2000	1.0340
2001	1.0160
2002	1.0240
2003	1.0190

- I. When the 25<sup>th</sup> month following MMI occurs in 1983, the following discount factor will be used for each Wage Loss payment made for the 25<sup>th</sup> 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
2001	0.5459
2002	0.5372
2003	0.5246
2004	0.5148

- II. When the 25<sup>th</sup> month following MMI occurs in 1984, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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
2001	0.5673
2002	0.5584
2003	0.5453
2004	0.5351

- III. When the 25<sup>th</sup> month following MMI occurs in 1985, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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
2001	0.5887
2002	0.5795
2003	0.5659
2004	0.5553

- IV. When the 25<sup>th</sup> month following MMI occurs in 1986 the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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
2001	0.6121
2002	0.6025
2003	0.5884
2004	0.5774

- V. When the 25<sup>th</sup> month following MMI occurs in 1987, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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
2001	0.6350
2002	0.6250
2003	0.6104
2004	0.5990

- VI. When the 25<sup>th</sup> month following MMI occurs in 1988, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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
2001	0.6418
2002	0.6317
2003	0.6169
2004	0.6054

- VII. When the 25<sup>th</sup> month following MMI occurs in 1989, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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
2001	0.6701
2002	0.6596
2003	0.6441
2004	0.6321

- VIII. When the 25<sup>th</sup> month following MMI occurs in 1990, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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
2001	0.6997
2002	0.6887
2003	0.6726
2004	0.6601

- IX. When the 25<sup>th</sup> month following MMI occurs in 1991, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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
2001	0.7322
2002	0.7207
2003	0.7038
2004	0.6907

- X. When the 25<sup>th</sup> month following MMI occurs in 1992, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2001	0.7688
2002	0.7567
2003	0.7390
2004	0.7252

- XI. When the 25<sup>th</sup> month following MMI occurs in 1993, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2001	0.7924
2002	0.7800
2003	0.7617
2004	0.7475

- XII. When the 25<sup>th</sup> month following MMI occurs in 1994, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2001	0.8152
2002	0.8024
2003	0.7836
2004	0.7690

- XIII. When the 25<sup>th</sup> month following MMI occurs in 1995, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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

CALENDAR PAYMENT	DISCOUNT
YEAR	FACTOR
2001	0.8375

2002	0.8244
2003	0.8050
2004	0.7900

- XIV. When the 25<sup>th</sup> month following MMI occurs in 1996, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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

CALENDAR PAYMENT YEAR	DISCOUNT FACTOR
2001	0.8599
2002	0.8464
2003	0.8266
2004	0.8112

- XV. When the 25<sup>th</sup> month following MMI occurs in 1997, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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

CALENDAR PAYMENT YEAR	DISCOUNT FACTOR
2001	0.8815
2002	0.8677
2003	0.8474
2004	0.8316

- XVI. When the 25<sup>th</sup> month following MMI occurs in 1998, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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

CALENDAR PAYMENT YEAR	DISCOUNT FACTOR
2001	0.9105
2002	0.8962
2003	0.8752
2004	0.8589

- XVII. When the 25<sup>th</sup> month following MMI occurs in 1999, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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

CALENDAR PAYMENT YEAR	DISCOUNT FACTOR
2001	0.9269
2002	0.9123
2003	0.8909
2004	0.8743

XVIII. When the 25<sup>th</sup> month following MMI occurs in 2000, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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

CALENDAR PAYMENT YEAR	DISCOUNT FACTOR
2001	0.9417
2002	0.9269
2003	0.9052
2004	0.8883

XIX. When the 25<sup>th</sup> month following MMI occurs in 2001, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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

CALENDAR PAYMENT YEAR	DISCOUNT FACTOR
2001	0.9671
2002	0.9519
2003	0.9296
2004	0.9123

XX. When the 25<sup>th</sup> month following MMI occurs in 2002, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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

CALENDAR PAYMENT YEAR	DISCOUNT FACTOR
2002	0.9843
2003	0.9612
2004	0.9433

XXI. When the 25<sup>th</sup> month following MMI occurs in 2003, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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

CALENDAR PAYMENT YEAR	DISCOUNT FACTOR
2003	0.9766
2004	0.9584

XXII. When the 25<sup>th</sup> month following MMI occurs in 2004, the following discount factors will be used for each Wage Loss payment made for the 25<sup>th</sup> 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

CALENDAR PAYMENT YEAR	DISCOUNT FACTOR
2004	0.9814