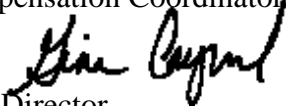


THE CALIFORNIA STATE UNIVERSITY
Office of the Chancellor
401 Golden Shore
Long Beach, California 90802-4210
(562) 951-4411

Date: March 29, 2006

Code: **TECHNICAL LETTER**
HR/Benefits 2006-06

To: Human Resources Directors
Benefits Officers
Workers' Compensation Coordinators

From: Gina Caywood 
Interim Senior Director
Human Resources Administration

Subject: **Industrial Disability Leave – Supplemental Job Displacement Benefits Program**
(Dates of Injury after 1/1/2004)

This Technical Letter clarifies how certain benefits available under the California State University's (CSU) Industrial Disability Leave (IDL) Program may be applicable to CSU employees in light of several significant changes in Workers' Compensation law.

Senate Bill (SB) 899 and Assembly Bill (AB) 227 made extensive changes to the California Workers' Compensation program effective for injured employees with dates of injury after January 1, 2004. SB 899 made two significant changes: (1) elimination of the payment for Temporary Disability during the permanent modified alternate work search; and (2) elimination of the Vocational Rehabilitation Maintenance Allowance paid to an employee who participates in a vocational rehabilitation program. AB 227 provides injured employees who meet eligibility criteria with a Supplemental Job Displacement Benefit in the form of a nontransferable voucher for retraining or skill enhancement, or both, at state approved or accredited schools. The dollar amount of the voucher is based upon the employee's percentage of permanent partial disability. The voucher may be used for payment of tuition, fees, books, and other expenses required by the school for retraining or skill enhancement with no more than 10% of the voucher moneys to be used towards vocational or return to work counseling. The employee is responsible for administering the Job Displacement Benefit. The CSU IDL program, through policy, will continue to provide IDL benefit payments to employees who have not exhausted their IDL benefits and wish to participate in a retraining or skill enhancement program. The employee's injury/illness must be designated permanent and stationary and the employee awarded

Distribution:

CSU Presidents
Vice Chancellor, Human Resources
Vice Presidents, Business/Administration
Director, SOSS
Risk Managers
Payroll Managers
Budget Officers

Permanent Partial Disability (PPD) in order to continue to receive IDL payments (1) during the exploration process for permanent modified alternative employment at CSU; and/or (2) during the time the employee participates in a bona fide Supplemental Job Displacement Benefits program.

If it is determined that permanent modified alternate work is not available to the employee at his/her campus and the employee is eligible for a job displacement voucher, the following procedures have been developed to administer the continuation of the IDL benefit during an employee's participation in a Supplemental Job Displacement Benefits program:

- The campus will notify Octagon, the CSU's third party administrator for workers' compensation, that modified alternate work is not available.
- Octagon will contact the employee to determine if he/she wishes to participate in a retraining or skill enhancement program.
- The employee has 30 days to respond and notify Octagon of his/her intent to enroll in a program.
- The campus will contact the injured employee to inform him/her of any remaining IDL benefits.
- If the injured employee decides to take advantage of the Supplemental Job Displacement Benefit, he/she must provide to the campus certification of enrollment in an education/training program in order to receive any remaining IDL benefits. Campuses should require periodic certifications of the employee's continuing enrollment in the education/training program to verify continuing eligibility for IDL benefits. (The attached sample form may be used by campuses for this process).
- If the employee terminates participation in the education/training program at any time, IDL benefits shall be terminated effective with the termination date of participation or completion date in the education/training program.
- Once the employee's IDL entitlement is exhausted, the campus should terminate the IDL benefits, as appropriate.

Please note that the intent of these procedures is to approximate the benefits and procedures that were in place that provided IDL benefits to an employee participating in the now obsolete vocational rehabilitation program. As such, if it is determined that the employee is medically unable to participate in a supplemental job displacement program, the employee is eligible to continue to receive IDL benefits, as deemed appropriate.

If you have any questions, please contact Pamela Chapin in Human Resources Administration at (562) 951-4414 or by email at: pchapin@calstate.edu. This Technical Letter is also available via Human Resources Administration's Web page at: <http://www.calstate.edu/HRAdm/memos.shtml>.

GC/pc

Education/Training Program Certification

Section A. Campus Instructions: complete numbers 1-7 and provide form to employee

- LAST FIRST
- 1) _____ 2) _____
NAME OF EMPLOYEE DATE
- 3) _____ 4) _____
NAME OF CSU REPRESENTATIVE TITLE
- 5) _____ 6) _____
SIGNATURE OF CSU REPRESENTATIVE DATE
- 7) _____
CAMPUS

Section B. Training/Teaching Institute Instructions: Complete numbers 8-15

- 8) _____
NAME OF STATE-SANCTIONED TRAINING/TEACHING INSTITUTE
- 9) _____
ADDRESS OF STATE-SANCTIONED TRAINING/TEACHING INSTITUTE
- 10) This certification verifies _____ (claimant's first and last name) is attending classes and/or participating in education or training in the above named institute for the period from
- 11) _____ to _____
DATE DATE
- 12) _____ 13) _____
NAME OF INSTITUTION REPRESENTATIVE DATE
- 14) _____ 15) _____
SIGNATURE OF INSTITUTION REPRESENTATIVE DATE

Section C. Employee: Sign and date certification and return to campus representative

This is to certify, under the penalty of perjury, the above information is true. I understand that if I misrepresent the above information, I may be subject to discipline up to and including termination.

SIGNATURE OF EMPLOYEE

DATE