



TEXAS DEPARTMENT OF INSURANCE

Division of Workers' Compensation

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To: Workers' Compensation System Participants

From: Brent Hatch, Special Advisor

Date: May 4, 2015

RE: REMINDER: Effective June 1, 2015 - New 28 TAC §131.1 Regarding Initiation of Lifetime Income Benefits; Notice of Denial and Form PLN-04, *Notice Regarding Eligibility for Lifetime Income Benefits*.

New Title 28 TAC §131.1 and Form PLN-04 become effective June 1, 2015.

Highlights:

- **Requirements:** New §131.1 requires that an insurance carrier review an injured employee's eligibility for lifetime income benefits (LIBs) in a timely fashion, including when an injured employee requests LIBs, and review all of the statutory criteria.
- **Timeframes:** New §131.1 outlines the timeframes for determining LIBs eligibility in situations where an injured employee requests LIBs in writing, as well as timeframes for the payment of LIBs after the insurance carrier reasonably believes the injured employee is eligible.
- **Communication:** New §131.1 helps ensure that if the insurance carrier denies LIBs eligibility, communication between the insurance carrier and the injured employee will be consistent and documented and that all parties will be informed of their right to initiate dispute resolution.
- **Eligibility:** New §131.1 retains the statutory eligibility requirements for LIBs.

Beginning June 1, 2015, insurance carriers must use the June 2015 version of the [Form PLN-04, Notice Regarding Eligibility for Lifetime Income Benefits](#) to send injured employees a plain language notice explaining whether the insurance carrier is initiating LIBs or denying LIBs eligibility. If the insurance carrier is denying LIBs eligibility, the insurance carrier must send the Form PLN-04 to the injured employee and the Division of Workers' Compensation (DWC) providing a full and complete explanation of the reasons for the denial. Insurance carriers may only use the Form PLN-04 for initiating or denying LIBs as provided under 28 TAC §124.2(e)(1) and §131.1(d). DWC encourages insurance carriers to use other modes of plain language communication for issues outside the scope of the Form PLN-04.

DWC notes that injured employees requesting LIBs are not required to use a particular form. Any manner of written request for LIBs by an injured employee is permitted.

Additional information relating to the Form PLN-04 is available in the instructions on the form and in [DWC's memo dated February 19, 2015](#). The adoption of new 28 TAC §131.1 was published in the *Texas Register* (40 *TexReg* 929) on February 27, 2015 and is available at: www.sos.state.tx.us/texreg/pdf/backview/0227/0227adop.pdf.