



## TEXAS DEPARTMENT OF INSURANCE

### General Counsel Division - Legal Section (MS-4D)

7551 Metro Center Drive, Suite 100, Austin, Texas 78744-1645

(512) 804-4703 | F: (512) 804-4276 | (800) 372-7713 | TDI.texas.gov | @TexasTDI

# memo

To: Workers' Compensation System Participants

From: Tracey Beaver, Director of the Office of Workers' Compensation Counsel

CC: \_\_\_\_\_

Date February 19, 2015

RE: Finalized DWC Form PLN-4, Notice Regarding Eligibility for Lifetime Income Benefits.

Comments: The Division of Workers' Compensation (DWC) has finalized its revisions to the DWC Form PLN-4, *Notice Regarding Eligibility for Lifetime Income Benefits*.

The PLN-4 is a plain language notice sent by the insurance carrier to the injured employee to explain that the insurance carrier is either initiating lifetime income benefits or denying the injured employee's eligibility for lifetime income benefits. If the insurance carrier is denying eligibility, the PLN-4 must be sent to the injured worker and DWC, and must provide a full and complete statement explaining the reasons for the denial.

The revisions aim to ensure that injured employees, as well as DWC, are informed of the insurance carrier's reasons for denial by providing a full and complete statement explaining why the insurance carrier is denying eligibility for lifetime income benefits. The revisions amend the existing PLN-4, *Notification of First Lifetime Income Benefit Payment*, to include a denial notice and revise the title to *Notice Regarding Eligibility for Lifetime Income Benefits*. The revised PLN-4 adds a checkbox to clearly show that eligibility for lifetime income benefits has been denied, and adds a space below where the insurance carrier provides their full and complete statement. There are also minor revisions to clarify the instructions.

The Division is posting this finalized form simultaneously with the adoption of new 28 TAC §131.1, concerning initiation of lifetime income benefits; notice of denial. The finalized PLN-4 conforms to the plain language notice requirements outlined in new 28 TAC §131.1.

An informal draft of the PLN-4 was posted on the Texas Department of Insurance website on October 10, 2014, with an informal comment period ending on November 10, 2014.

DWC also clarifies that the PLN-4 must only be used as provided under 28 TAC §124.2(e)(1) and 28 TAC §131.1(d) for the initiation or denial of lifetime income benefits. DWC encourages an insurance carrier to utilize other modes of plain language communication with an injured employee for issues outside the scope of the PLN-4.

The finalized PLN-4 is available on the Texas Department of Insurance website at <http://www.tdi.texas.gov/forms/form20numeric.html>, and is effective June 1, 2015.

Insurance carriers may continue to use the existing PLN-4, available on the Texas Department of Insurance website at <http://www.tdi.texas.gov/forms/form20plain.html>, until the effective date of the revised PLN-4.