

State of Michigan Rick Snyder, Governor

Department of Licensing and Regulatory Affairs Mike Zimmer, Director Workers' Compensation Agency Compensation Supplement Fund 7150 Harris Drive P.O. Box 30016 Lansing, Michigan 48909 (517) 284-8912 Fax (517) 284-8920 www.michigan.gov/wca

March 16, 2016

The Honorable Rick Snyder Governor of the State of Michigan

Senator Arlan Meekhof Senate Majority Leader

Senator Jim Ananich Senate Minority Leader

Representative Kevin Cotter Speaker of the House

Representative Tim Greimel House Minority Leader

This report is being submitted in compliance with Section 391(6) of the Workers' Disability Compensation Act, Act 317 of the Public Acts of 1969, as amended. From January 1, 2015 through December 31, 2015, the Compensation Supplement Fund processed the following amounts in payments and credits:

Payments	\$ 923,947.39
Tax Credits	\$ 1,469,884.12
	\$ 2,393,831.51

The Compensation Supplement Fund was created in 1981 to pay weekly workers' compensation cost of living increases from the state general fund to injured workers whose injury dates occurred between September 1, 1965 and December 31, 1979. The inflation factor percentage is based on the date of injury, and is greater for those workers injured in 1965 than in 1979 (Section 352 of the Workers' Disability Compensation Act, Act 317 of the Public Acts of 1969, as amended).

Page 2 March 16,2016

Insurers and self-insurers pay the increased benefits and submit quarterly reimbursement requests to our agency. Reimbursement is provided in the form of a pay warrant or a Michigan Business Tax credit. Pay warrants are commonly issued to companies with no tax liability within the state of Michigan such as governmental units. All other insurers and self-insurers receive MBT credits which are periodically verified by the Michigan Department of Treasury for proper credit.

Sincerely,

Mark Long, Director Workers' Compensation Agency

Attachment

cc: Mike Zimmer