EXHIBIT 1
DATE 3-23-05
SB 481

Workers' Compensation Terms – Acronyms and Definitions

AWW – Average Weekly Wage

The mean weekly earnings of all employees under covered employment, as defined and established annually by the department. It is established at the nearest whole dollar number and must be adopted by the department before July 1 of each year. -- Defined in 39-71-116(4)

FCE - Functional Capacities Evaluation.

Used in 39-71-605 (4): "A claimant is required, upon a written request of an insurer, to submit to a functional capacities evaluation conducted by a licensed physical or occupational therapist."

IME - Independent Medical Examination

Medical exams referenced in 39-71-605.

Impairment Rating

Defined in 39-71-711 (1) An impairment rating:
(a) is a purely medical determination and must be determined by an impairment evaluator after a claimant has reached maximum healing;
(b) must be based on the current edition of the Guides to Evaluation of Permanent Impairment published by the American medical association;
(c) must be expressed as a percentage of the whole person; and
(d) must be established by objective medical findings.
(2) A claimant or insurer, or both, may obtain an impairment rating from an evaluator who is a medical doctor or from an evaluator who is a chiropractor if the injury falls within the scope of chiropractic practice. If the claimant and insurer cannot agree upon the rating, the mediation procedure in part 24 of this chapter must be followed.
(3) An evaluator must be a physician licensed under Title 37, chapter 3, except if the claimant's treating physician is a chiropractor, the evaluator may be a chiropractor who is certified as an evaluator under chapter 12.

Injury

1) "**Injury**" or "injured" means:
(a) internal or external physical harm to the body that is established by objective medical findings;
(b) damage to prosthetic devices or appliances, except for damage to eyeglasses, contact lenses, dentures, or hearing aids; or
(c) death.
(2) An injury is caused by an accident. An accident is:
(a) an unexpected traumatic incident or unusual strain;
(b) identifiable by time and place of occurrence;
(c) identifiable by member or part of the body affected; and
(d) caused by a specific event on a single day or during a single work shift. Defined in 39-71-119.
(3) "Injury" or "injured" does not mean a physical or mental condition arising from:
(a) emotional or mental stress; or
(b) a nonphysical stimulus or activity.
(4) "Injury" or "injured" does not include a disease that is not caused by an accident.
(5) (a) A cardiovascular, pulmonary, respiratory, or other disease, cerebrovascular accident, or myocardial infarction suffered by a worker is an injury only if the accident is the primary cause of the physical condition in relation to other factors contributing to the physical condition.
(b) "Primary cause", as used in subsection (5)(a), means a cause that, with a reasonable degree of medical certainty, is responsible for more than 50% of the physical condition.

MMI – Maximum Medical Improvement

Also, medical stability as defined in 39-71-116(18): "Medical stability", "maximum healing", or "maximum medical healing" means a point in the healing process when further material improvement would not be reasonably expected from primary medical treatment.

OD – Occupational Disease

"**Occupational disease**" means harm, damage, or death as set forth in 39-71-119(1) [see definition above for injury] arising out of or contracted in the course and scope of employment and caused by events occurring on more than a single day or work shift. The term does not include a physical or mental condition arising from emotional or mental stress or from a nonphysical stimulus or activity. Definition in 39-72-102.

Objective Medical Findings or Opinion

"**Objective medical findings**" means medical evidence, including range of motion, atrophy, muscle strength, muscle spasm, or other diagnostic evidence, substantiated by clinical findings. Defined in 39-71-116(19)

Plan 1 – Self-Insurers' Workers' Compensation Plan

Definition in 39-71-2101. (1) An employer may elect to be bound by compensation **plan No. 1** upon furnishing satisfactory proof to the department and the Montana self-insurers guaranty fund of solvency and financial ability to pay the compensation and benefits provided for in this chapter and to discharge all liabilities that are reasonably likely to be incurred during the fiscal year for which the election is effective. The employer may, by order of the department and with the concurrence of the guaranty fund, make the payments directly to employees as they become entitled to receive payments under the terms and conditions of this chapter.

(2) Employers who comply with the provisions of this chapter and who are participating in collectively bargained, jointly administered Taft-Hartley trust funds are

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eligible to provide self-insured workers' compensation benefits for their employees.

Plan 2 – Workers' Compensation Private Insurers

Private insurance companies that transact workers' compensation business. Defined partially in 39-71-116 under: "Insurer" means an employer bound by compensation plan No. 1, **an insurance company transacting business under compensation plan No. 2**, or the state fund under compensation plan No. 3.

Plan 3 – Montana State Compensation Fund

"State fund" defined in 39-71-2312 as the state compensation insurance fund provided for in 39-71-2313. Also known as compensation plan No. 3 or **plan No. 3.**

Exclusive for state employees – 39-71-403.

PPD - Permanent Partial Disability

A physical condition in which a worker, after reaching maximum medical healing:

(a) has a permanent impairment established by objective medical findings;

(b) is able to return to work in some capacity but the permanent impairment impairs the worker's ability to work; and

(c) has an actual wage loss as a result of the injury. Defined in 39-71-116(23)

PPD RATE – Determined under 39-71-703.

PTD - Permanent Total Disability

"**Permanent total disability**" means a physical condition resulting from injury as defined in this chapter, after a worker reaches maximum medical healing, in which a worker does not have a reasonable prospect of physically performing regular employment. Regular employment means work on a recurring basis performed for remuneration in a trade, business, profession, or other occupation in this state. Lack of immediate job openings is not a factor to be considered in determining if a worker is permanently totally disabled. Defined in 39-71-116(24)

Compensation determined under 39-71-702

TPD – Temporary Partial Disability

"**Temporary partial disability**" means a physical condition resulting from an injury, as defined in 39-71-119, in which a worker, prior to maximum healing:

(a) is temporarily unable to return to the position held at the time of injury because of a medically determined physical restriction;

(b) returns to work in a modified or alternative employment; and

(c) suffers a partial wage loss. Defined in 39-71-116(32)

Compensation determined under 39-71-712

TTD - Temporary Total Disability

"**Temporary total disability**" means a physical condition resulting from an injury, as defined in this chapter, that results in total loss of wages and exists until the injured worker reaches maximum medical healing. Defined in 39-71-116(34)

TTD RATE – Determined under 39-71-701

Treating Physician

"**Treating physician**" means a person who is primarily responsible for the treatment of a worker's compensable injury and is:

(a) a physician licensed by the state of Montana under Title 37, chapter 3, and has admitting privileges to practice in one or more hospitals, if any, in the area where the physician is located;

(b) a chiropractor licensed by the state of Montana under Title 37, chapter 12;

(c) a physician assistant-certified licensed by the state of Montana under Title 37, chapter 20, if there is not a treating physician, as provided for in subsection (36)(a), in the area where the physician assistant-certified is located;

(d) an osteopath licensed by the state of Montana under Title 37, chapter 3;

(e) a dentist licensed by the state of Montana under Title 37, chapter 4;

(f) for a claimant residing out of state or upon approval of the insurer, a treating physician defined in subsections (36)(a) through (36)(e) who is licensed or certified in another state; or

(g) an advanced practice registered nurse licensed by the state of Montana under Title 37, chapter 8, recognized by the board of nursing as a nurse practitioner or a clinical nurse specialist, and practicing in consultation with a physician licensed under Title 37, chapter 3, if there is not a treating physician, as provided for in subsection (36)(a), in the area in which the advanced practice registered nurse is located. Definition in 39-71-116(36)