

Workers' compensation reform mired after five stormy years

By TIM RICHARD

After five years of arguments — a "stalemate."

That's the status of workers' compensation reform in the Michigan Legislature, according to state Rep. Jack Kirksey, R-Livonia, member of a task force which has worked on the issue.

While there is wide agreement that benefits need to be increased, political forces part company on whether there are "abuses" in the system which hike costs for employers.

PRINCIPAL actors on the Lansing stage are state Sen. David Plawecki, D-Dearborn Heights, Republican Gov. William G. Milliken, organized labor, retailers and manufacturers.

From business' point of view, the key question is whether an injured worker can collect not only workers' compensation for an injury, but also unemployment compensation, social security and employer-paid pension.

In February, Plawecki announced a "compromise" plan had been negotiated between himself, several AFL-CIO unions, the Michigan Merchants Association, the Michigan Hardware Association and the Michigan Retailers Association — in short, retail-type businesses.

"You can imagine my surprise," said Milliken at a business rally, "to hear an

announcement that a 'compromise' had been agreed upon. . . . My administration was not involved. Nor, as I understand it, were your organizations."

THE "COMPROMISE" was also blasted by the Board of Michigan Businessmen (BOMB), a Romeo-based coalition of 10 chambers of commerce, 30 associations (such as restaurants, food dealers and auto dealers) and 500 large and small businesses.

"It addresses only 30 percent of the problems at best and was created not by the Workers' Compensation Task Force he (Plawecki) chairs, but secretly with the AFL-CIO and three small retail-related business associations . . . representing only a fragment of the business community of Michigan."

"The Plawecki bill does not include many crucial areas affecting business as a whole such as statute of limitations, so that claims can not be made 20 and 30 years after an employee is no longer employed."

"The definition of disability problem, responsible for many false claims, has been ignored as well as non-job-related, mental and heart claim issues."

"Retiree claims for aging disabilities alone amount to \$100 million annually."

In general, business says the Plawecki bill — actually a package of single-section bills which Kirksey says



Gov. William Milliken



Rep. Jack Kirksey



Sen. David Plawecki

are rigged so they can't be amended — would cost \$219 million a year and fails to correct what they call "abuses."

AMONG PLAWECKI'S main proposals:

- Increasing maximum benefits to 100 percent of the state average weekly wage. If adopted, this would increase benefits from the current \$200 maximum to a top level of \$250.
- Providing up to 6 percent annual

increase in benefits for workers disabled for at least two years. In a major change, the money would come from the state general fund instead of a levy on employers.

Allowing workers' compensation benefits to be reduced by the amount that it exceeded the employee's average weekly wage.

In contrast, Milliken's proposal offsets 50 percent of all social security benefits, all unemployment compensation benefits and employer-financed pension benefits directly against the amount those benefits exceed 80 percent of an employee's after-tax wage.

MILLIKEN SAID in May he would "have to veto the (Plawecki) package if it came to my desk in its present condition — particularly because of its failure to deal appropriately with the statute of limitations and to tighten eligibility requirements. . . ."

"In my visits to Japan and other countries, in my discussions with industrialists and business leaders in this state and elsewhere, I find that Michigan has practically everything going for it as a place to do business — with the notable and very serious exception of workers' compensation."

"Our workers' compensation program is the one major factor cited time and again in these discussions. As we compete with other states and nations for every job we can get and hold, the spotlight is on workers' compensation."

"The problem has resisted solution for many years."

Watch for highway slowdowns

A number of highway construction sites along metropolitan area freeways and major thoroughfares may snarl heavy Fourth of July holiday weekend traffic.

The areas of "potential slowdowns," according to the Michigan Department of Transportation (MDOT), include:

- I-96 between I-275 in Farmington Hills and Novi Road, Novi. The inside lane of I-96 is closed in both directions for construction of a median barrier.
- Telegraph Road — intermittent lane closures in both directions between 12 Mile in Southfield and Maple in Bloomfield Hills.
- Rochester Road in Troy from Big

Beaver to South Boulevard, periodic lane closures in both directions.

- I-75 between Eight Mile Road in Detroit and 12 Mile in Madison Heights. The inside lane is closed in both directions for median barrier construction.

The only freeway detour is at the Chrysler (I-75) and Ford (I-94) interchange in Detroit. The I-75 northbound and southbound ramps to eastbound I-94 are closed for bridge repair. The detour is posted.

MDOT officials estimate Michigan drivers will travel 710 million miles over the four-day weekend, provided the weather is good.

That's about 2 percent more than the 695 million miles traveled during the 1975 July 4 holiday, the last time there was a four-day holiday.

The transportation department has requested that marine traffic on the Saginaw River steer clear of the Milwaukee Bridge (on I-75) during noon to midnight, Thursday, 7 a.m. to 6 p.m. Friday, the 4th; 8 a.m. to 1 p.m. Saturday, the 5th; 11 a.m. to 10 p.m. Sunday, the 6th and 11 a.m. to 3 p.m. Monday, July 7.

The bridge has long been a highway bottleneck, particularly when short-term vacationers pack I-75 during the holidays.

Program explores changes

Career and personal decisions are often linked when people want to make a change in their lives.

"Considering Change," a nine-session program, will help participants explore these issues July 8 to Aug. 5 at Oakland University. It is sponsored by the Continuum Center for Adult Counseling and Leadership Training.

It will be held from 11 a.m. to 2 p.m. Tuesdays and Thursdays in the Continuum Center on Adams Road at Butler Road in Rochester. Fee is \$60 and includes a workbook.

The agenda includes discussions about returning to work or school, making career changes, re-defining educational or vocational goals, planning the meaningful use of retirement.

Participants will have an opportunity to personalize these discussions in both small group and large group settings.

For information and advance registration for "Considering Change," contact the Continuum Center at Oakland University in Rochester, or call 377-3033.

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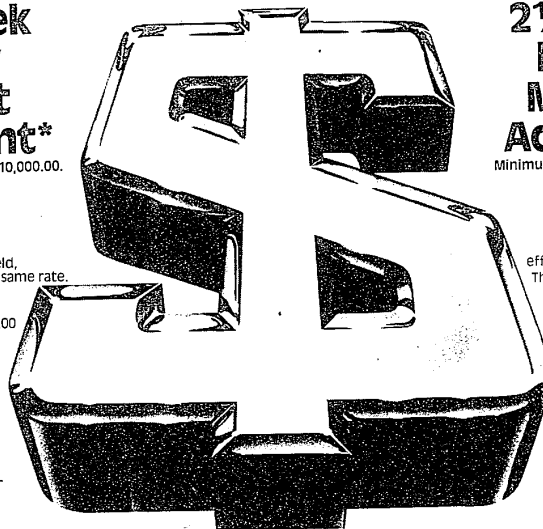
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