

LOSS OF EARNING POWER (LEP) CALCULATIONS

Injured Worker	Claim Number
Payment Period From _____ Through _____	Number Days/Months (calendar days)

Wages at the Date of Injury (Calculate for this Payment Period) (**actual days worked**) (1) _____
Note: The date of injury wage must be updated to reflect the wages the worker would have been earning had the injury not occurred. This is referred to as earning capacity.

Current Wages (Actual wages earned this Payment Period) (**actual days worked**) (2) _____

Time Loss Rate (Calculate for this Payment Period) (**calendar days**) (3) _____

State's Average Wage x 1 1/2 (Calculate for this Payment Period) (**calendar days**) (4) _____

Method A (Old Method):

(1)	_____ Current Wages (2)	÷	_____ DOI Wages (1) (Updated Wages/Earning Capacity)	=	_____ Percent of Wages at the Time of Injury
(2)	1.00	-	_____ Percent of Wages at the Time of Injury	=	_____ Loss of Earning Power Percent
(3)	_____ Loss of Earning Power Percent	x	_____ Time Loss Compensation Rate (3)	=	_____ Method A LEP Entitlement

Method B [New Method - Must be completed on all claims with a Date of Injury (DOI) on or after 05/07/93]:

(4)	_____ DOI Wages (1) (Updated Wages/Earning Capacity)	-	_____ Current Wages (2)	=	_____ "Difference"
(5)	_____ "Difference"	x	.80	=	_____ Method B LEP Entitlement

If Method B is the higher entitlement, there are additional rules to apply:

- **The injured worker may not receive more than the full time loss rate for this period.** If the "Method B" entitlement is higher than the time loss rate for this period (as calculated on line (3), above), then just pay the time loss rate.
- **The injured worker's current wages plus their "Method B" LEP entitlement may not exceed a "cap" of 1.5 times the state's average monthly wage.** To see if you need to apply this "cap", use the following formula:

(6) _____ Current Wages (2) + _____ Method B LEP = _____ *

* If this amount does exceed 1.5 times the state's average wage, it must be capped as follows:

(7) _____ State's Average Wage Multiplied by 1.5 (4) - _____ Current Wages (2) = _____ "Capped" Amount for Method B **

** The worker must receive the benefit amount which is higher when comparing the two methods. Be sure to again compare the Method A entitlement to the Method B entitlement that is capped and use the amount that is higher.

Compensation paid this period:
 _____ From _____ Through _____ @ _____ Number of Days/Months = _____ Amount LEP Paid

Which method was used? _____