

# Calculating Permanent Partial Disability Benefits



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Permanent partial disability benefits (PPD) are designed to compensate claimants who suffer permanent impairment as a result of a compensable work injury.

**For what injuries and diseases can PPD be awarded?** PPD benefits are limited to the body parts and conditions (such as vision and hearing loss) specifically listed in Va. Code § 65.2-503, and each listed body part translates to a specific compensation period. PPD cannot be awarded for the back, neck, or brain. However, it is important to remember that a claimant may still receive PPD if an ineligible injury results in permanent impairment to an eligible body part. For example, if a claimant's back injury results in permanent impairment to a lower extremity because of radiculopathy, the claimant may receive PPD for the lower extremity but not the back.

**What is the definition of maximum medical improvement?** A claimant seeking PPD must prove that: (1) she has reached maximum medical improvement (MMI); and (2) she has received an impairment rating to an eligible body part. MMI means that the claimant's injury has improved as much

as possible from a medical standpoint. MMI does not mean that the claimant no longer requires treatment. However, if the claimant is undergoing treatment that could potentially improve her functional capacity, she has likely not reached MMI.

**How is a PPD payment counted towards the 500-week limit?** PPD can be paid in a lump sum or paid out weekly. If paid in a lump sum, the employer and carrier are entitled to a 4% discount. Either way, each week of PPD paid counts towards the maximum 500 weeks of allowable indemnity. A claimant may receive PPD simultaneously with temporary partial disability benefits with Commission approval, but each simultaneous payment counts as 2 weeks towards the total 500 weeks.

**What is the statute of limitations for a PPD claim?** The statute of limitations for filing a claim for PPD is 36 months from the date wage loss benefits were last paid pursuant to an award. If no wage loss has been paid, the statute of limitations is 36 months from the date of the accident. The statute of limitations may be extended if the claimant is working light duty at or above pre-injury wage.

## How do I calculate payment of a PPD award?

**Example:** The claimant sustains a compensable injury to her left arm. Her compensation rate is \$400. She is assigned a 20% impairment rating to her left upper extremity. Under Va. Code § 65.2-503, the compensation period for an arm is 200 weeks. The claimant's 20% impairment rating means she is entitled to 20% of 200 weeks, or 40 weeks of her compensation rate. Multiply her compensation rate (\$400) by 40 to get her total PPD amount of \$16,000.

Please call our office if you have any questions about calculating or administering PPD.



