

PDRater

**Commutation of Permanent Disability
from “far end” and Life Pension**

Sample
Report

IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

ATTORNEY FEE CALCULATION – PD & LP

This template takes fee for PD out of PD, and fee for LP out of LP.

Date of commutation:	5/1/2012
Attorney fee %:	15%
Assumed SAWW increase:	4.6%

PD weekly rate:	\$310.50
Total weeks PD:	433.25
PD start date:	6/7/2008
LP weekly rate:	\$38.65

1) PD accrued through commutation date.....		\$62,772.69
2) Commuted value of remaining PD.....	+	\$66,832.58
3) Total basis for attorney fee.....		\$129,605.27
4) Attorney fee percentage.....	x	15%
5) Attorney fee derived from PD.....		\$19,440.79
6) Weeks of PD remaining before commutation.....		229.6786
7) Reduction of weeks of PD from "far end" to produce attorney fee.....	-	70.1784
8) Weeks of PD remaining after commutation.....		159.5002
9) Commuted value of LP.....		\$29,677.00
10) Attorney fee percentage.....	x	15%
11) Attorney fee derived from LP.....		\$4,451.55
12) Total Attorney fee.....		\$23,892.34
13) Weekly deduction from future LP payments to produce attorney fee:	Method #1*	\$9.72
	Method #2*	\$5.80

Method #1 notes:

Method #1 is the Uniform Reduction Method. The weekly deduction remains constant or uniform for the life of the injured worker. The reduction becomes effective on the day after the date of commutation. To properly apply this reduction the current LP benefit is calculated without any reductions, and then the reduction is applied to each weekly payment in the amount of \$9.72.

Method #2 notes:

Method #2 is the Uniformly Increasing Reduction Method. The weekly reduction increases each year effective January 1st by the same fixed percentage equal to the "Assumed SAWW increase" above. The initial reduction becomes effective on the day after the date of commutation. To properly apply this reduction the current LP benefit is calculated without any reductions, then each year the prior year's reduction is increased by "assumed SAWW increase" used to commute the attorney's fees, here 4.6%.



IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

A) COMMUTATION OF ALL REMAINING PD

DOI:	3/4/2005
PD starts:	6/7/2008
DOC:	5/1/2012

PD Rating:	70%
# of weeks:	433.25
PD weekly rate:	\$310.50

1 Determine weeks of PD remaining after date of commutation (DOC).

1a # of days from PD starts through DOC incl.....	1425
1b Divide by 7 days per week.....	7
1c Weeks elapsed through DOC.....	203.5714
1d Total weeks of PD.....	433.2500
1e Subtract weeks elapsed through DOC (1c from above).....	203.5714
1f Weeks of PD remaining after DOC.....	229.6786

2 Determine PV of weeks of PD remaining after DOC.

	Weeks	PV
2a Enter corresponding PV for #weeks just above 1f*.....	230	215.5239
2b Enter corresponding PV for #weeks just below 1f*.....	229	214.6461
2c Difference of 2a & 2b.....		0.8778
2d Multiply by fractional portion of 1f.....	x	0.6786
2e PV of fractional week.....		0.5957
2f Add 2b.....	+	214.6461
2g PV of weeks remaining after DOC.....		215.2418

3 Determine commuted value of all PD due for period after DOC.

3a PV of weeks remaining after DOC (2g from above).....	215.2418
3b Multiply by PD rate.....	x \$310.50
3c Commuted value of all PD due for period after DOC.....	\$66,832.58

4 Additional interest due for payment after date of commutation:

Additional interest due for each day late.....	\$18.31
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* Take values from Table 1 - Present Value of Permanent Disability

IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

B) COMMUTATION OF PD "OFF THE FAR END"

DOI:	3/4/2005
PD starts:	6/7/2008
DOC:	5/1/2012

PD Rating:	70%
# of weeks:	433.25
PD weekly rate:	\$310.50
Amount to commute:	\$19,506.22

1 Determine weeks of PD remaining after date of commutation (DOC).

1a # of days from PD starts through DOC incl.....	1425
1b Divide by 7 days per week.....	7
1c Weeks elapsed through DOC.....	203.5714
1d Total weeks of PD.....	433.2500
1e Subtract weeks elapsed through DOC (1c from above).....	203.5714
1f Weeks of PD remaining after DOC.....	229.6786

2 Determine PV of weeks of PD remaining after DOC.

	Weeks	
2a Enter corresponding PV for #weeks just above 1f*	230	215.5239
2b Enter corresponding PV for #weeks just below 1f *	229	214.6461
2c Difference of 2a & 2b.....		0.8778
2d Multiply by fractional portion of 1f.....	x	0.6786
2e PV of fractional week.....		0.5957
2f Add 2b.....	+	214.6461
2g PV of weeks remaining after DOC.....		215.2418

3 Determine commuted value of all PD due for period after DOC.

3a PV of weeks remaining after DOC (2g from above).....	215.2418
3b Multiply by PD rate.....	x \$310.50
3c Commuted value of all PD due for period after DOC.....	\$66,832.58

4 Determine PV (at \$1/week) of amount to be commuted.

4a Amount to be commuted.....	\$19,506.22
4b Divide by weekly PD rate.....	÷ \$310.50
4c PV of amount to be commuted.....	62.8220

5 Determine PV of weeks remaining after commutation off far end.

5a PV of weeks remaining after DOC (2g from above).....	215.2418
5b Subtract PV of amount to be commuted (4c from above).....	- 62.8220
5c PV of weeks remaining after commutation off far end.....	152.4198

* Take values from Table 1 - Present Value of Permanent Disability

6 Determine number of weeks of PD remaining after commutation off far end.

	Weeks	
6a Enter PV and corresponding #weeks for PV just above 5c*	160	152.8763
6b Enter PV and corresponding #weeks for PV just below 5c*	159	151.963
6c Difference of 6a and 6b.....		0.9133
6d PV of weeks remaining after commutation off far end (5c from above).....		152.4198
6e Subtract 6b.....		151.963
6f Difference of 6d and 6e.....		0.4568
6g Divide by 6c.....		0.9133
6h Proportional amount of last week of PD.....		0.5002
6i Add to weeks component of 6b.....		159.0000
6j #weeks remaining after commutation off far end.....		159.5002

7 Determine amount of PD due after commutation off far end.

7a #weeks remaining after commutation off far end (6j from above).....		159.5002
7b Multiply by PD rate.....	X	\$310.50
7c PD still owed for period after DOC.....		\$49,524.81

8 Determine number of weeks eliminated from far end.

8a #weeks PD before commutation off far end (1f from above).....		229.6786
8b Subtract #weeks PD remaining after commutation (6j from above).....	-	159.5002
8c #weeks eliminated from far end.....		70.1784

9 Additional interest due for payment after date of commutation:

Additional interest due for each day late..... **\$5.34**

* Take values from Table 1 - Present Value of Permanent Disability

IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

ACCRUED PERMANENT PARTIAL DISABILITY

DOC:	5/1/2012
PD starting date:	6/7/2008
PD starting rate:	\$270.00
L.C. 4658(d) Adjustment:	+15%
Ending date of L.C. 4658(d) "60-day-period":	8/6/2008
PD rate after "60-day-period":	\$310.50

1) Starting date for PD.....	6/7/2008
2) Ending date of "60-day period" from PD starting date.....	8/6/2008
3) Days between end of "60-day-period" and the start of PD.....	60
4) Divide by 7 days per week..... ÷	7
5) Weeks from PD starting date through end of "60-day-period".....	8.57
6) PD rate during the "60-day-period"..... x	\$270.00
7) PD accrued during the "60-day-period".....	\$2,313.90
8) First day after "60-day-period".....	8/7/2008
9) DOC..... -	5/1/2012
10) Days elapsed between first day after "60-day-period" and DOC.....	1363
11) Divide by 7 days per week..... ÷	7
12) Weeks of PD from "60-day-period" and DOC.....	194.71
13) PD rate after "60-day-period"..... x	\$310.50
14) PD accrued after "60-day-period" through DOC.....	\$60,458.79
15) Total accrued PD through date of DOC.....	\$62,772.69

Report

PRESENT VALUE OF DEFERRED LIFE PENSION

IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

Date of birth:	6/1/1950
PD start date:	6/7/2008
PD duration:	433.25
Date of commutation:	5/1/2012
Initial rate of paid LP benefits:	\$38.65
Assumed annual increase:	4.6%
Gender:	Male

Present Value = \$29,677

PDRater Sample Report

IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

**G) COMMUTATION OF A PORTION OF DEFERRED LIFE PENSION
BY UNIFORM REDUCTION OF LIFE PENSION**

Date of birth:	6/1/1950
DOI:	3/4/2005
PD start:	6/7/2008
DOC:	5/1/2012

Total weeks PD:	433.25
Life pension rate:	\$38.65
Gender:	Male
Amount to commute:	\$4,451.55

1 Determine exact age in years as of date of commutation (DOC).

1a # of days from DOB through DOC.....	22615
1b Divide by average number of days per year.....÷	365.24
1c Exact age on DOC.....	61.918

2 Determine number of years between DOC and LP commencement.

2a Total weeks of PD.....	433.25
2b Multiply by 7 days per week.....x	7
2c Total days of PD.....	3032.75
2d Subtract #days from PD commencement through DOC inclusive.....-	1425
2e Number of days from DOC to LP commencement.....	1607.75
2f Divide by average number of days per year.....÷	365.24
2g Period in years from DOC to LP commencement (i.e. deferral period).....	4.402

3 Determine PV of life pension for exact age and deferral period.*

3a Enter PV for age 61 and deferral period 4.....	493.2
3b Enter PV for age 62 and deferral period 4.....	473.29
3c Difference of 3a and 3b.....	19.91
3d Multiply by fractional portion of 1c.....x	0.918
3e Interpolation adjustment for age.....	18.28
3f Enter PV for age 61 and deferral period 4.....	493.2
3g PV for age 61 and deferral period 5.....	451.55
3h Difference of 3f and 3g.....	41.65
3i Multiply by fractional portion of deferral period (from 2g).....x	0.402
3j Interpolation adjustment for deferral period.....	16.74
3k PV for age below 1c and deferral period below 2g (3a from above).....	493.2
3l Subtract sum of 3e and 3j.....-	35.02
3m PV for exact age and deferral period on DOC.....	458.18

* Take values from Table 2 - Present Value of Life Pension for a Male, or Table 3 - Present Value of Life Pension for a Female, as dictated by gender.

4 Calculate amount of reduction in LP rate necessary to produce lump sum.

4a Amount to be commuted.....	\$4,451.55
4b Divide by 3m.....	458.18
4c Amount of weekly reduction in LP.....	<u>\$9.72</u>

5 Calculate LP rate after commutation.

5a LP rate before commutation.....	\$38.65
5b Subtract weekly reduction in LP (4c from above).....	<u>\$9.72</u>
5c LP rate after commutation.....	\$28.93

6 Additional interest due for payment after date of commutation:

Additional interest due for each day late.....	\$1.22
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PDRater Sample Report

IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

LIFE PENSION – SCHEDULE OF UNIFORM REDUCTIONS

Starting reduction rate:	\$9.72
LP starting rate:	\$38.65
SAWW used in Commutation:	4.6%

Year	LP Weekly Rate	Uniform Reduction	Reduced LP Weekly Rate
2012			
2013			
2014			
2015			
2016	\$38.65	-\$9.72	\$28.93
2017		-\$9.72	
2018		-\$9.72	
2019		-\$9.72	
2020		-\$9.72	
2021		-\$9.72	
2022		-\$9.72	
2023		-\$9.72	
2024		-\$9.72	
2025		-\$9.72	
2026		-\$9.72	
2027		-\$9.72	
2028		-\$9.72	
2029		-\$9.72	
2030		-\$9.72	
2031		-\$9.72	
2032		-\$9.72	
2033		-\$9.72	
2034		-\$9.72	
2035		-\$9.72	
2036		-\$9.72	
2037		-\$9.72	
2038		-\$9.72	
2039		-\$9.72	
2040		-\$9.72	
2041		-\$9.72	
2042		-\$9.72	
2043		-\$9.72	
2044		-\$9.72	
2045		-\$9.72	
2046		-\$9.72	

Year	LP Weekly Rate	Uniform Reduction	Reduced LP Weekly Rate
2047		-\$9.72	
2048		-\$9.72	
2049		-\$9.72	
2050		-\$9.72	
2051		-\$9.72	
2052		-\$9.72	
2053		-\$9.72	
2054		-\$9.72	
2055		-\$9.72	
2056		-\$9.72	
2057		-\$9.72	
2058		-\$9.72	
2059		-\$9.72	
2060		-\$9.72	
2061		-\$9.72	
2062		-\$9.72	
2063		-\$9.72	
2064		-\$9.72	
2065		-\$9.72	
2066		-\$9.72	
2067		-\$9.72	
2068		-\$9.72	
2069		-\$9.72	
2070		-\$9.72	
2071		-\$9.72	
2072		-\$9.72	
2073		-\$9.72	
2074		-\$9.72	
2075		-\$9.72	
2076		-\$9.72	
2077		-\$9.72	
2078		-\$9.72	
2079		-\$9.72	
2080		-\$9.72	
2081		-\$9.72	

IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

LIFE PENSION – SCHEDULE OF UNIFORMLY INCREASING REDUCTIONS

Starting reduction rate:	\$5.80
LP starting rate:	\$38.65
SAWW used in Commutation:	4.6%

Year	LP Weekly Rate	Uniformly Increasing Reduction	Reduced LP Weekly Rate
2012			
2013			
2014			
2015			
2016	\$38.65	-\$5.80	\$32.85
2017		-\$6.06	
2018		-\$6.34	
2019		-\$6.63	
2020		-\$6.94	
2021		-\$7.26	
2022		-\$7.59	
2023		-\$7.94	
2024		-\$8.31	
2025		-\$8.69	
2026		-\$9.09	
2027		-\$9.51	
2028		-\$9.95	
2029		-\$10.40	
2030		-\$10.88	
2031		-\$11.38	
2032		-\$11.91	
2033		-\$12.45	
2034		-\$13.03	
2035		-\$13.63	
2036		-\$14.25	
2037		-\$14.91	
2038		-\$15.59	
2039		-\$16.31	
2040		-\$17.06	
2041		-\$17.85	
2042		-\$18.67	
2043		-\$19.53	
2044		-\$20.42	
2045		-\$21.36	
2046		-\$22.35	

Year	LP Weekly Rate	Uniformly Increasing Reduction	Reduced LP Weekly Rate
2047		-\$23.37	
2048		-\$24.45	
2049		-\$25.57	
2050		-\$26.75	
2051		-\$27.98	
2052		-\$29.27	
2053		-\$30.61	
2054		-\$32.02	
2055		-\$33.49	
2056		-\$35.04	
2057		-\$36.65	
2058		-\$38.33	
2059		-\$40.10	
2060		-\$41.94	
2061		-\$43.87	
2062		-\$45.89	
2063		-\$48.00	
2064		-\$50.21	
2065		-\$52.52	
2066		-\$54.93	
2067		-\$57.46	
2068		-\$60.10	
2069		-\$62.87	
2070		-\$65.76	
2071		-\$68.78	
2072		-\$71.95	
2073		-\$75.26	
2074		-\$78.72	
2075		-\$82.34	
2076		-\$86.13	
2077		-\$90.09	
2078		-\$94.23	
2079		-\$98.57	
2080		-\$103.10	
2081		-\$107.85	

COMMUTATION REQUEST

Revised August 2011

Directions: Fill in the section "All Cases" as completely as possible. Remaining sections only need to be filled in if you are requesting a commutation of those benefits.

All Cases:

IW: John Smith
EAMS Case#: ADJ0123456789

Requested by: _____
Contact number: _____
FAX Number: _____
Request Date: 5/8/2012

DOI: 3/4/2005
P&S date: 6/7/2008

If DOI is o/a 1/1/03, then any LP or PTD benefits would be subject to annual SAWW-based increases.

Attorney fee% (if applicable): 15%
Annual SAWW increase (if appl.): 4.6%

Will use 4.6% unless otherwise specified. (4.6% is based on a 50 year average)

Permanent Disability:

PD Rating: 70%
PD duration (in weeks): 433.25
Initial PD weekly rate: \$270.00

If DOI is o/a 1/1/05, then PD may be subject to adjustment under LC 4658(d). If applicable, enter the effective date of adjustment and rate after adjustment in Additional Comments section below.

Is PD subject to +15% adjustment under LC 4658(d)? (Y/N) Yes

Is PD subject to -15% adjustment under LC 4658(d)? (Y/N) No

Life Pension:

Date of birth: 6/1/1950
PD start date (typically the day after TD ends or P&S date): 6/7/2008
PD duration (in weeks): 433.25
Initial rate of LP benefits: \$38.65
Gender: Male

Death Benefit:

Average Weekly Earnings: _____
Start date of benefits: _____
Initial benefit rate: _____
Death benefit am't (LC 4702): _____
DOB of youngest child: _____

100% Permanent Total Disability:

Date of birth: _____
PTD start date (typically the day after TD ends or P&S date): _____
Initial rate of PTD benefits: _____
Gender: _____

All commutations will follow Baker vs. WCAB in determining effective date of first SAWW increase.

Additional Comments:

Please provide a commutation of PD benefits by (1) uniform reduction of payments and (2) from the "far end."
Please provide a commutation of LP benefits by (1) uniform reduction method and (2) uniformly increasing reduction method.

PDRater

**Commutation of Permanent Disability
by uniform reduction and Life Pension**

Sample

Report

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WCAB#:	ADJ0123456789
Date:	5/8/2012

ATTORNEY FEE CALCULATION – PD & LP

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2) Commuted value of remaining PD.....	+	\$66,832.58
3) Total basis for attorney fee.....		\$129,605.27
4) Attorney fee percentage.....	x	15%
5) Attorney fee derived from PD.....		\$19,440.79
6) Weekly PD rate before reduction.....		\$310.50
7) Reduction of PD rate to produce attorney fee.....	-	\$90.62
8) New PD rate after reduction.....		\$219.88
9) Commuted value of LP.....		\$29,677.00
10) Attorney fee percentage.....	x	15%
11) Attorney fee derived from LP.....		\$4,451.55
12) Total Attorney fee.....		\$23,892.34
13) Weekly deduction from future LP payments to produce attorney fee:	Method #1*	\$9.72
	Method #2*	\$5.80

Method #1 notes:

Method #1 is the Uniform Reduction Method. The weekly deduction remains constant or uniform for the life of the injured worker. The reduction becomes effective on the day after the date of commutation. To properly apply this reduction the current LP benefit is calculated without any reductions, and then the reduction is applied to each weekly payment in the amount of \$9.72.

Method #2 notes:

Method #2 is the Uniformly Increasing Reduction Method. The weekly reduction increases each year effective January 1st by the same fixed percentage equal to the "Assumed SAWW increase" above. The initial reduction becomes effective on the day after the date of commutation. To properly apply this reduction the current LP benefit is calculated without any reductions, then each year the prior year's reduction is increased by "assumed SAWW increase" used to commute the attorney's fees, here 4.6%.



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DOI:	3/4/2005
PD starts:	6/7/2008
DOC:	5/1/2012

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# of weeks:	433.25
PD weekly rate:	\$310.50

1 Determine weeks of PD remaining after date of commutation (DOC).

1a # of days from PD starts through DOC incl.....	1425
1b Divide by 7 days per week.....	7
1c Weeks elapsed through DOC.....	203.5714
1d Total weeks of PD.....	433.2500
1e Subtract weeks elapsed through DOC (1c from above).....	203.5714
1f Weeks of PD remaining after DOC.....	229.6786

2 Determine PV of weeks of PD remaining after DOC.

	Weeks	PV
2a Enter corresponding PV for #weeks just above 1f*.....	230	215.5239
2b Enter corresponding PV for #weeks just below 1f*.....	229	214.6461
2c Difference of 2a & 2b.....		0.8778
2d Multiply by fractional portion of 1f.....	x	0.6786
2e PV of fractional week.....		0.5957
2f Add 2b.....	+	214.6461
2g PV of weeks remaining after DOC.....		215.2418

3 Determine commuted value of all PD due for period after DOC.

3a PV of weeks remaining after DOC (2g from above).....	215.2418
3b Multiply by PD rate.....	x \$310.50
3c Commuted value of all PD due for period after DOC.....	\$66,832.58

4 Additional interest due for payment after date of commutation:

Additional interest due for each day late.....	\$18.31
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* Take values from Table 1 - Present Value of Permanent Disability

IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

C) COMMUTATION OF PD BY UNIFORM REDUCTION OF PAYMENTS

DOI:	3/4/2005
PD starts:	6/7/2008
DOC:	5/1/2012

PD Rating:	70%
# of weeks:	433.25
PD weekly rate:	\$310.50
Amount to commute:	\$19,506.22

1 Determine weeks of PD remaining after date of commutation (DOC).

1a # of days from PD starts through DOC incl.....	1425
1b Divide by 7 days per week.....	7
1c Weeks elapsed through DOC.....	203.5714
1d Total weeks of PD.....	433.2500
1e Subtract weeks elapsed through DOC (1c from above).....	203.5714
1f Weeks of PD remaining after DOC.....	229.6786

2 Determine PV of weeks of PD remaining after DOC.

	Weeks	PV
2a Enter PV for #weeks just above 1f*.....	230	215.5239
2b Enter PV for #weeks just below 1f*.....	229	214.6461
2c Difference of 2a & 2b.....		0.8778
2d Multiply by fractional portion of 1f.....	X	0.6786
2e PV of fractional week.....		0.5957
2f Add 2b.....	+	214.6461
2g PV of weeks remaining after DOC.....		215.2418

3 Determine amount of reduction required to produce lump sum.

3a Amount to be commuted.....	\$19,506.22
3b Divide by PV of remaining weeks (2g from above).....	215.2418
3c Amount of reduction after rounding to nearest whole cent.....	\$90.62

4 Determine new PD rate after reduction.

4a Weekly PD rate.....	\$310.50
4b Subtract amount of reduction (3c from above).....	\$90.62
4c New PD rate after reduction.....	\$219.88

5 Determine amount of PD still owed for period after DOC.

5a #weeks of PD remaining after DOC (1f from above).....	229.6786
5b Multiply by new PD rate after reduction (4c from above).....	X \$219.88
5c Amount of PD still owed for period after DOC.....	\$50,501.73

6 Additional interest due for payment after date of commutation:

Additional interest due for each day late.....	\$5.34
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* Take values from Table 1 - Present Value of Permanent Disability

IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

ACCRUED PERMANENT PARTIAL DISABILITY

DOC:	5/1/2012
PD starting date:	6/7/2008
PD starting rate:	\$270.00
L.C. 4658(d) Adjustment:	+15%
Ending date of L.C. 4658(d) "60-day-period":	8/6/2008
PD rate after "60-day-period":	\$310.50

1) Starting date for PD.....	6/7/2008
2) Ending date of "60-day period" from PD starting date.....	8/6/2008
3) Days between end of "60-day-period" and the start of PD.....	60
4) Divide by 7 days per week..... ÷	7
5) Weeks from PD starting date through end of "60-day-period".....	8.57
6) PD rate during the "60-day-period"..... x	\$270.00
7) PD accrued during the "60-day-period".....	\$2,313.90
8) First day after "60-day-period".....	8/7/2008
9) DOC..... -	5/1/2012
10) Days elapsed between first day after "60-day-period" and DOC.....	1363
11) Divide by 7 days per week..... ÷	7
12) Weeks of PD from "60-day-period" and DOC.....	194.71
13) PD rate after "60-day-period"..... x	\$310.50
14) PD accrued after "60-day-period" through DOC.....	\$60,458.79
15) Total accrued PD through date of DOC.....	\$62,772.69

Report

PRESENT VALUE OF DEFERRED LIFE PENSION

IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

Date of birth:	6/1/1950
PD start date:	6/7/2008
PD duration:	433.25
Date of commutation:	5/1/2012
Initial rate of paid LP benefits:	\$38.65
Assumed annual increase:	4.6%
Gender:	Male

Present Value = \$29,677

PDRater Sample Report

IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

**G) COMMUTATION OF A PORTION OF DEFERRED LIFE PENSION
BY UNIFORM REDUCTION OF LIFE PENSION**

Date of birth:	6/1/1950
DOI:	3/4/2005
PD start:	6/7/2008
DOC:	5/1/2012

Total weeks PD:	433.25
Life pension rate:	\$38.65
Gender:	Male
Amount to commute:	\$4,451.55

1 Determine exact age in years as of date of commutation (DOC).

1a # of days from DOB through DOC.....	22615
1b Divide by average number of days per year.....÷	365.24
1c Exact age on DOC.....	61.918

2 Determine number of years between DOC and LP commencement.

2a Total weeks of PD.....	433.25
2b Multiply by 7 days per week.....x	7
2c Total days of PD.....	3032.75
2d Subtract #days from PD commencement through DOC inclusive.....-	1425
2e Number of days from DOC to LP commencement.....	1607.75
2f Divide by average number of days per year.....÷	365.24
2g Period in years from DOC to LP commencement (i.e. deferral period).....	4.402

3 Determine PV of life pension for exact age and deferral period.*

3a Enter PV for age 61 and deferral period 4.....	493.2
3b Enter PV for age 62 and deferral period 4.....	473.29
3c Difference of 3a and 3b.....	19.91
3d Multiply by fractional portion of 1c.....x	0.918
3e Interpolation adjustment for age.....	18.28
3f Enter PV for age 61 and deferral period 4.....	493.2
3g PV for age 61 and deferral period 5.....	451.55
3h Difference of 3f and 3g.....	41.65
3i Multiply by fractional portion of deferral period (from 2g).....x	0.402
3j Interpolation adjustment for deferral period.....	16.74
3k PV for age below 1c and deferral period below 2g (3a from above).....	493.2
3l Subtract sum of 3e and 3j.....-	35.02
3m PV for exact age and deferral period on DOC.....	458.18

* Take values from Table 2 - Present Value of Life Pension for a Male, or Table 3 - Present Value of Life Pension for a Female, as dictated by gender.

4 Calculate amount of reduction in LP rate necessary to produce lump sum.

4a Amount to be commuted.....	\$4,451.55
4b Divide by 3m.....	458.18
4c Amount of weekly reduction in LP.....	<u>\$9.72</u>

5 Calculate LP rate after commutation.

5a LP rate before commutation.....	\$38.65
5b Subtract weekly reduction in LP (4c from above).....	<u>\$9.72</u>
5c LP rate after commutation.....	\$28.93

6 Additional interest due for payment after date of commutation:

Additional interest due for each day late.....	\$1.22
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PDRater Sample Report

IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

LIFE PENSION – SCHEDULE OF UNIFORM REDUCTIONS

Starting reduction rate:	\$9.72
LP starting rate:	\$38.65
SAWW used in Commutation:	4.6%

Year	LP Weekly Rate	Uniform Reduction	Reduced LP Weekly Rate
2012			
2013			
2014			
2015			
2016	\$38.65	-\$9.72	\$28.93
2017		-\$9.72	
2018		-\$9.72	
2019		-\$9.72	
2020		-\$9.72	
2021		-\$9.72	
2022		-\$9.72	
2023		-\$9.72	
2024		-\$9.72	
2025		-\$9.72	
2026		-\$9.72	
2027		-\$9.72	
2028		-\$9.72	
2029		-\$9.72	
2030		-\$9.72	
2031		-\$9.72	
2032		-\$9.72	
2033		-\$9.72	
2034		-\$9.72	
2035		-\$9.72	
2036		-\$9.72	
2037		-\$9.72	
2038		-\$9.72	
2039		-\$9.72	
2040		-\$9.72	
2041		-\$9.72	
2042		-\$9.72	
2043		-\$9.72	
2044		-\$9.72	
2045		-\$9.72	
2046		-\$9.72	

Year	LP Weekly Rate	Uniform Reduction	Reduced LP Weekly Rate
2047		-\$9.72	
2048		-\$9.72	
2049		-\$9.72	
2050		-\$9.72	
2051		-\$9.72	
2052		-\$9.72	
2053		-\$9.72	
2054		-\$9.72	
2055		-\$9.72	
2056		-\$9.72	
2057		-\$9.72	
2058		-\$9.72	
2059		-\$9.72	
2060		-\$9.72	
2061		-\$9.72	
2062		-\$9.72	
2063		-\$9.72	
2064		-\$9.72	
2065		-\$9.72	
2066		-\$9.72	
2067		-\$9.72	
2068		-\$9.72	
2069		-\$9.72	
2070		-\$9.72	
2071		-\$9.72	
2072		-\$9.72	
2073		-\$9.72	
2074		-\$9.72	
2075		-\$9.72	
2076		-\$9.72	
2077		-\$9.72	
2078		-\$9.72	
2079		-\$9.72	
2080		-\$9.72	
2081		-\$9.72	

IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

LIFE PENSION – SCHEDULE OF UNIFORMLY INCREASING REDUCTIONS

Starting reduction rate:	\$5.80
LP starting rate:	\$38.65
SAWW used in Commutation:	4.6%

Year	LP Weekly Rate	Uniformly Increasing Reduction	Reduced LP Weekly Rate
2012			
2013			
2014			
2015			
2016	\$38.65	-\$5.80	\$32.85
2017		-\$6.06	
2018		-\$6.34	
2019		-\$6.63	
2020		-\$6.94	
2021		-\$7.26	
2022		-\$7.59	
2023		-\$7.94	
2024		-\$8.31	
2025		-\$8.69	
2026		-\$9.09	
2027		-\$9.51	
2028		-\$9.95	
2029		-\$10.40	
2030		-\$10.88	
2031		-\$11.38	
2032		-\$11.91	
2033		-\$12.45	
2034		-\$13.03	
2035		-\$13.63	
2036		-\$14.25	
2037		-\$14.91	
2038		-\$15.59	
2039		-\$16.31	
2040		-\$17.06	
2041		-\$17.85	
2042		-\$18.67	
2043		-\$19.53	
2044		-\$20.42	
2045		-\$21.36	
2046		-\$22.35	

Year	LP Weekly Rate	Uniformly Increasing Reduction	Reduced LP Weekly Rate
2047		-\$23.37	
2048		-\$24.45	
2049		-\$25.57	
2050		-\$26.75	
2051		-\$27.98	
2052		-\$29.27	
2053		-\$30.61	
2054		-\$32.02	
2055		-\$33.49	
2056		-\$35.04	
2057		-\$36.65	
2058		-\$38.33	
2059		-\$40.10	
2060		-\$41.94	
2061		-\$43.87	
2062		-\$45.89	
2063		-\$48.00	
2064		-\$50.21	
2065		-\$52.52	
2066		-\$54.93	
2067		-\$57.46	
2068		-\$60.10	
2069		-\$62.87	
2070		-\$65.76	
2071		-\$68.78	
2072		-\$71.95	
2073		-\$75.26	
2074		-\$78.72	
2075		-\$82.34	
2076		-\$86.13	
2077		-\$90.09	
2078		-\$94.23	
2079		-\$98.57	
2080		-\$103.10	
2081		-\$107.85	

COMMUTATION REQUEST

Revised August 2011

Directions: Fill in the section "All Cases" as completely as possible. Remaining sections only need to be filled in if you are requesting a commutation of those benefits.

All Cases:

IW: John Smith
EAMS Case#: ADJ0123456789

Requested by: _____
Contact number: _____
FAX Number: _____
Request Date: 5/8/2012

DOI: 3/4/2005
P&S date: 6/7/2008

If DOI is o/a 1/1/03, then any LP or PTD benefits would be subject to annual SAWW-based increases.

Attorney fee% (if applicable): 15%
Annual SAWW increase (if appl.): 4.6%

Will use 4.6% unless otherwise specified. (4.6% is based on a 50 year average)

Permanent Disability:

PD Rating: 70%
PD duration (in weeks): 433.25
Initial PD weekly rate: \$270.00

If DOI is o/a 1/1/05, then PD may be subject to adjustment under LC 4658(d). If applicable, enter the effective date of adjustment and rate after adjustment in Additional Comments section below.

Is PD subject to +15% adjustment under LC 4658(d)? (Y/N) Yes

Is PD subject to -15% adjustment under LC 4658(d)? (Y/N) No

Life Pension:

Date of birth: 6/1/1950
PD start date (typically the day after TD ends or P&S date): 6/7/2008
PD duration (in weeks): 433.25
Initial rate of LP benefits: \$38.65
Gender: Male

Death Benefit:

Average Weekly Earnings: _____
Start date of benefits: _____
Initial benefit rate: _____
Death benefit am't (LC 4702): _____
DOB of youngest child: _____

100% Permanent Total Disability:

Date of birth: _____
PTD start date (typically the day after TD ends or P&S date): _____
Initial rate of PTD benefits: _____
Gender: _____

All commutations will follow Baker vs. WCAB in determining effective date of first SAWW increase.

Additional Comments:

Please provide a commutation of PD benefits by (1) uniform reduction of payments and (2) from the "far end."
Please provide a commutation of LP benefits by (1) uniform reduction method and (2) uniformly increasing reduction method.

PDRater

Commutation of Permanent Total Disability

Sample

Report

IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

ATTORNEY FEE CALCULATION – PERMANENT TOTAL DISABILITY

DOI:	3/4/2005
Date of Commutation (DOC):	5/1/2012
Attorney fee %:	15%
Assumed annual SAWW increase:	4.6%

PTD starting rate:	\$1,010.50
PTD rate on DOC:	\$1,114.35
PTD start date:	6/7/2008

1) PTD accrued through commutation date.....	\$218,006.90
2) Commuted value of remaining PTD.....	\$1,277,214.00
3) Total basis for attorney fee.....	\$1,495,220.90
4) Attorney fee percentage.....	15%
5) Total amount of attorney fee.....	\$224,283.13
6) Weekly deduction from future PTD payments to produce attorney fee:	
Method #1*	\$337.78
Method #2*	\$195.68

Method #1 notes:

Method #1 is the Uniform Reduction Method. The weekly deduction remains constant or uniform for the life of the injured worker. The reduction becomes effective on the day after the date of commutation. To properly apply this reduction the current PTD benefit is calculated without any reductions, and then the reduction is applied to each weekly payment in the amount of \$337.78.

Method #2 notes:

Method #2 is the Uniformly Increasing Reduction Method. The weekly reduction increases each year effective January 1st by the same fixed percentage equal to the "Assumed SAWW increase" above. The initial reduction becomes effective on the day after the date of commutation. To properly apply this reduction the current PTD rate is calculated without reductions, then each year the prior year's reduction is increased by "assumed SAWW increase" used to commute the attorney's fees, here 4.6%.



IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

ACCRUED PERMANENT TOTAL DISABILITY

PTD starting date:	6/7/2008
PTD starting rate:	\$1,010.50
Date of Commutation:	5/1/2012

Permanent Total Disability Rate

Year	SAWW	Percent SAWW Increase on January 1	Permanent Total Disability Rate
2003	\$794.95	N/A	N/A
2004	\$790.50	0.000000%	N/A
2005	\$806.11	1.974700%	N/A
2006	\$838.42	4.008138%	N/A
2007	\$880.00	4.959328%	N/A
2008	\$914.60	3.931818%	\$1,010.50
2009	\$956.20	4.548436%	\$1,056.46
2010	\$984.83	2.994143%	\$1,088.09
2011	\$979.90	0.000000%	\$1,088.09
2012	\$1,003.55	2.413512%	\$1,114.35
2013	Unknown	Unknown	

PTD rate on Date of Commutation:	\$1,114.35
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Accrued Permanent Total Disability Benefits

Year	Start Date	End Date	# Weeks (inclusive)	PTD Rate	Accrued Indemnity
2003					
2004					
2005					
2006					
2007					
2008	6/7/2008	12/31/2008	29.7143	\$1,010.50	\$30,026.29
2009	1/1/2009	12/31/2009	52.1429	\$1,056.46	\$55,086.84
2010	1/1/2010	12/31/2010	52.1429	\$1,088.09	\$56,736.12
2011	1/1/2011	12/31/2011	52.1429	\$1,088.09	\$56,736.12
2012	1/1/2012	5/1/2012	17.4286	\$1,114.35	\$19,421.53
2013					
2014					
2015					
2016					
2017					
2018					
2019					
2020					
Total:					\$218,006.90

PRESENT VALUE OF PERMANENT TOTAL DISABILITY

IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

Date of birth:	6/1/1950
Date of commutation:	5/1/2012
Rate of PTD benefits on DOC:	\$1,114.35
Assumed annual increase:	4.6%
Gender:	Male

Present Value = \$1,277,214

PDRater Sample Report

IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

**F) COMMUTATION OF PORTION OF REMAINING LIFE PENSION
BY UNIFORM REDUCTION OF LIFE PENSION**

Date of birth:	6/1/1950
DOI:	3/4/2005
LP starts:	6/7/2008
DOC:	5/1/2012

Life pension rate:	\$1,114.35
Gender:	Male
Amount to commute:	\$224,283.15

1 Determine exact age in years as of date of commutation (DOC).

1a # of days from DOB through DOC.....	22615
1b Divide by average number of days per year.....÷	365.24
1c Exact age on DOC.....	61.918

2 Determine PV of life pension as of exact age on DOC.

	Age	PV
2a Enter PV for age in table below 1c*.....	61	682.82
2b Enter PV for age in table above 1c*.....-	62	662.31
2c Difference of 2a and 2b.....		20.51
2d Multiply by fractional portion of 1c.....x		0.918
2e Interpolation adjustment for age.....		18.83
2f PV for age in table below 1c (2a from above).....		682.82
2g Subtract 2e.....-		18.83
2h PV of life pension as of exact age on DOC.....		663.99

3 Calculate amount of reduction in LP rate necessary to produce lump sum.

3a Amount to be commuted.....	\$224,283.15
3b Divide by PV for exact age on DOC (2h from above).....÷	663.99
3c Amount of weekly reduction in LP.....	\$337.78

4 Calculate LP rate after commutation.

4a LP rate before commutation.....	\$1,114.35
4b Subtract weekly reduction in LP (3c from above).....-	\$337.78
4c LP rate after commutation.....	\$776.57

5 Additional interest due for payment after date of commutation:

Additional interest due for each day late.....	\$61.45
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* Take values from Table 2 - Present Value of Life Pension for a Male, or Table 3 - Present Value of Life Pension for a Female, as dictated by gender.

IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

PERMANENT TOTAL DISABILITY – SCHEDULE OF UNIFORM REDUCTIONS

Starting reduction rate:	\$337.78
PTD starting rate:	\$1,010.50
SAWW used in Commutation:	4.6%

Year	PTD Weekly Rate	Uniform Reduction	Reduced PTD Weekly Rate
2012	\$1,114.35	-\$337.78	\$776.57
2013		-\$337.78	
2014		-\$337.78	
2015		-\$337.78	
2016		-\$337.78	
2017		-\$337.78	
2018		-\$337.78	
2019		-\$337.78	
2020		-\$337.78	
2021		-\$337.78	
2022		-\$337.78	
2023		-\$337.78	
2024		-\$337.78	
2025		-\$337.78	
2026		-\$337.78	
2027		-\$337.78	
2028		-\$337.78	
2029		-\$337.78	
2030		-\$337.78	
2031		-\$337.78	
2032		-\$337.78	
2033		-\$337.78	
2034		-\$337.78	
2035		-\$337.78	
2036		-\$337.78	
2037		-\$337.78	
2038		-\$337.78	
2039		-\$337.78	
2040		-\$337.78	
2041		-\$337.78	
2042		-\$337.78	
2043		-\$337.78	
2044		-\$337.78	
2045		-\$337.78	
2046		-\$337.78	

Year	PTD Weekly Rate	Uniform Reduction	Reduced PTD Weekly Rate
2047		-\$337.78	
2048		-\$337.78	
2049		-\$337.78	
2050		-\$337.78	
2051		-\$337.78	
2052		-\$337.78	
2053		-\$337.78	
2054		-\$337.78	
2055		-\$337.78	
2056		-\$337.78	
2057		-\$337.78	
2058		-\$337.78	
2059		-\$337.78	
2060		-\$337.78	
2061		-\$337.78	
2062		-\$337.78	
2063		-\$337.78	
2064		-\$337.78	
2065		-\$337.78	
2066		-\$337.78	
2067		-\$337.78	
2068		-\$337.78	
2069		-\$337.78	
2070		-\$337.78	
2071		-\$337.78	
2072		-\$337.78	
2073		-\$337.78	
2074		-\$337.78	
2075		-\$337.78	
2076		-\$337.78	
2077		-\$337.78	
2078		-\$337.78	
2079		-\$337.78	
2080		-\$337.78	
2081		-\$337.78	

IW:	John Smith
WCAB#:	ADJ0123456789
Date:	5/8/2012

PERMANENT TOTAL DISABILITY – SCHEDULE OF UNIFORMLY INCREASING REDUCTIONS

Starting reduction rate:	\$195.68
PTD starting rate:	\$1,010.50
SAWW used in Commutation:	4.6%

Year	PTD Weekly Rate	Uniformly Increasing Reduction	Reduced PTD Weekly Rate
2012	\$1,114.35	-\$195.68	\$918.67
2013		-\$204.69	
2014		-\$214.10	
2015		-\$223.95	
2016		-\$234.25	
2017		-\$245.03	
2018		-\$256.30	
2019		-\$268.09	
2020		-\$280.42	
2021		-\$293.32	
2022		-\$306.81	
2023		-\$320.92	
2024		-\$335.69	
2025		-\$351.13	
2026		-\$367.28	
2027		-\$384.18	
2028		-\$401.85	
2029		-\$420.33	
2030		-\$439.67	
2031		-\$459.89	
2032		-\$481.05	
2033		-\$503.18	
2034		-\$526.32	
2035		-\$550.53	
2036		-\$575.86	
2037		-\$602.35	
2038		-\$630.05	
2039		-\$659.04	
2040		-\$689.35	
2041		-\$721.06	
2042		-\$754.23	
2043		-\$788.93	
2044		-\$825.22	
2045		-\$863.18	
2046		-\$902.88	

Year	PTD Weekly Rate	Uniformly Increasing Reduction	Reduced PTD Weekly Rate
2047		-\$944.42	
2048		-\$987.86	
2049		-\$1,033.30	
2050		-\$1,080.83	
2051		-\$1,130.55	
2052		-\$1,182.56	
2053		-\$1,236.95	
2054		-\$1,293.85	
2055		-\$1,353.37	
2056		-\$1,415.63	
2057		-\$1,480.75	
2058		-\$1,548.86	
2059		-\$1,620.11	
2060		-\$1,694.63	
2061		-\$1,772.59	
2062		-\$1,854.12	
2063		-\$1,939.41	
2064		-\$2,028.63	
2065		-\$2,121.94	
2066		-\$2,219.55	
2067		-\$2,321.65	
2068		-\$2,428.45	
2069		-\$2,540.16	
2070		-\$2,657.00	
2071		-\$2,779.23	
2072		-\$2,907.07	
2073		-\$3,040.80	
2074		-\$3,180.67	
2075		-\$3,326.98	
2076		-\$3,480.03	
2077		-\$3,640.11	
2078		-\$3,807.55	
2079		-\$3,982.70	
2080		-\$4,165.90	
2081		-\$4,357.53	

COMMUTATION REQUEST

Revised August 2011

Directions: Fill in the section "All Cases" as completely as possible. Remaining sections only need to be filled in if you are requesting a commutation of those benefits.

All Cases:

IW: John Smith
EAMS Case#: ADJ0123456789

Requested by: _____
Contact number: _____
FAX Number: _____
Request Date: 5/8/2012

DOI: 3/4/2005
P&S date: 6/7/2008

If DOI is o/a 1/1/03, then any LP or PTD benefits would be subject to annual SAWW-based increases.

Attorney fee% (if applicable): 15%
Annual SAWW increase (if appl.): 4.6%

Will use 4.6% unless otherwise specified. (4.6% is based on a 50 year average)

Permanent Disability:

PD Rating: _____
PD duration (in weeks): _____
Initial PD weekly rate: _____

If DOI is o/a 1/1/05, then PD may be subject to adjustment under LC 4658(d). If applicable, enter the effective date of adjustment and rate after adjustment in Additional Comments section below.

Is PD subject to +15% adjustment under LC 4658(d)? (Y/N) _____
Is PD subject to -15% adjustment under LC 4658(d)? (Y/N) _____

Life Pension:

Date of birth: _____
PD start date (typically the day after TD ends or P&S date): _____
PD duration (in weeks): _____
Initial rate of LP benefits: _____
Gender: _____

Death Benefit:

Average Weekly Earnings: _____
Start date of benefits: _____
Initial benefit rate: _____
Death benefit am't (LC 4702): _____
DOB of youngest child: _____

100% Permanent Total Disability:

Date of birth: 6/1/1950
PTD start date (typically the day after TD ends or P&S date): 6/7/2008
Initial rate of PTD benefits: \$1,114.35
Gender: Male

All commutations will follow Baker vs. WCAB in determining effective date of first SAWW increase.

Additional Comments:

Please provide a commutation of PTD benefits by (1) uniform reduction method and (2) uniformly increasing reduction method.

