

# SJDB Voucher Audit Penalties

## Effective 5/20/09

Effective May 20, 2009, the DWC Audit Unit will begin assessing administrative penalties for an insurer/employer's failure to meet statutory and regulatory requirements for failure to provide proper and timely notice to injured workers regarding the Supplemental Job Displacement Benefit (SJDB voucher) and for providing the SJDB voucher or paying obligations due. These penalties will be assessed as part of "Par" audits which places claims administrators at substantial risk for second and third tier audits.

Penalty Type	Penalty Amount	Statute (LC) or Regulation (ADR) Section
Failure to provide or send timely the 10133.52 Notice of Potential Rights	up to \$500	No longer applicable effective 1/1/12
Failure to send an accurate 10133.52	\$100	No longer applicable effective 1/1/12
Failure to send the 10133.52 by certified mail	\$100	No longer applicable effective 1/1/12
Failure to provide or send timely the 10133.57 SJDB voucher	up to \$1000	<u>ADR § 10111.2(b)(28)</u> For each failure to issue the voucher for education-related retraining/skill enhancement in compliance with California Code of Regulations, title 8, section 10133.56(c), unless the employer meets the conditions set forth in Labor Code section 4658.6, is:... up to.... \$1000 for each failure to issue the voucher, in the manner required by the law and regulations, within 51 days.
Failure to pay/object to SJDB voucher expenses w/in 45 days of invoice	up to \$1000	<u>ADR § 10111.2(b)(29)</u> For failure to pay any properly documented supplemental job displacement benefit voucher billing within the time frames required by California Code of Regulations, title 8, section 10133.56(h) is: \$100 for each bill of \$1000 or less; \$200 for each bill of more than \$1000, but no more than \$2000; \$300 for each bill of more than \$2000, but no more than \$3000; \$500 for each bill of more than \$3000, but no more than \$5000; \$1000 for each bill of more than \$5000.
Unreasonable delay or refusal to provide the supplemental job displacement benefit	\$2500	<u>LC § 5814 &amp; ADR § 10112.2(g)(6)</u> \$ 2,500 for each penalty award by the Workers' Compensation Appeals Board for a violation of Labor Code section 5814 for an unreasonable delay or refusal to provide the supplemental job displacement benefit, as required by section 10133.51(b) and section 10133.56(c), respectively, of Title 8 of the California Code of Regulations. (LC effective 2004)
Unreasonable delay or refusal to make payment to an injured worker as reimbursement for payment for services provided for a supplemental job displacement benefit voucher or where the unreasonable delay or refusal to pay the training provider causes an interruption in the employee's retraining	\$2500	<u>LC § 5814 &amp; ADR § 10112.2(g)(7)</u> \$ 2,500 for each penalty award by the Workers' Compensation Appeals Board for a violation of Labor Code section 5814 for an unreasonable delay or refusal to make payment to an injured worker as reimbursement for payment for services provided for a supplemental job displacement benefit voucher, or where the unreasonable delay or refusal to pay the training provider causes an interruption in the employee's retraining. (LC effective 2004)