

NJ and PA Workers' Compensation Benefits for 2021

By: Sandra L. Niemotka Workers' Compensation Alert 12.22.20

Workers' compensation benefits in New Jersey and Pennsylvania are calculated using a statewide average weekly wage (SAWW) that is published by the Departments of Labor every year. The year of the worker's injury will determine the rates that apply. For 2021, the maximum rate for benefits in New Jersey is \$969 per week; the 2021 maximum rate for benefits in Pennsylvania is \$1,130 per week.

In New Jersey, total disability wage loss benefits are subject to a maximum of 75% of the SAWW. In 2021, the SAWW is calculated to be \$1,291.42. There is also a minimum benefit rate of 20% of the SAWW. A worker's benefits will be based on 70% of his average earnings but subject to this range of 20% to 75% of the SAWW. NJSA 34:15-12(a) and (b).

Also in New Jersey, there are permanent partial disability benefits payable that are capped by 75% of the SAWW and 70% of the worker's average earnings, whichever is less. Aside from that limit, however, the worker's earnings do not matter and benefits are payable depending on the extent of the disability. Rates for permanent partial disability benefits are located on the annual schedule of disabilities. NJSA 34:15-12(c).

In Pennsylvania, there are temporary total disability benefits but no permanent partial disability benefits. The rate for benefits is generally two-thirds of the worker's average earnings, subject to the SAWW as the maximum. Some earnings fall into a category that results in a flat rate provided for a range of earnings. If the worker's earnings are low enough, the rate will be 90% of the worker's earnings. Section 105.1 of the Act, 77 PS \$25.1. In 2021, the SAWW is calculated to be \$1,130. This is a 4.6% increase from 2020. That same increase is applied to medical benefits.

White and Williams will have a limited supply of physical rate cards for Pennsylvania beginning in January 2021. If you are interested in receiving one, please make a request here and you will be added to our rate card distribution list.

For questions or further information, please contact Sandra Niemotka (niemotkas@whiteandwilliams.com; 215.864.6338) or another member of the Workers' Compensation Group.

This correspondence should not be construed as legal advice or legal opinion on any specific facts or circumstances. The contents are intended for general informational purposes only and you are urged to consult a lawyer concerning your own situation and legal questions.