

# CRACKING THE COLD SHOULDER CASE

A 5-Year Review of the 2017 Changes to Iowa's Workers' Compensation Law



By Abbie Steuhm, MLIS

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How much money will the worker receive?

Old System	New System
Weekly rate \$ _____	Weekly rate \$ _____
X industrial disability _____ %	X shoulder Impairment _____ %
X 500 weeks	X 400 weeks
= TOTAL COMPENSATION \$ _____	= TOTAL COMPENSATION \$ _____

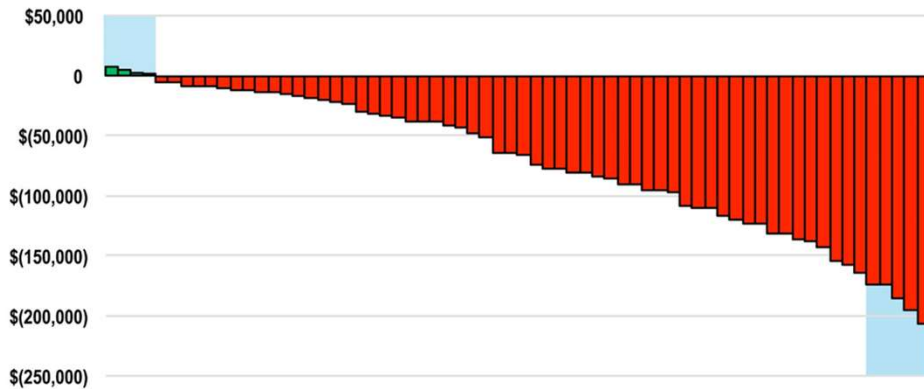
## 2017 IOWA LEGISLATION

- 2017 Iowa Legislation changes reclassified shoulder injuries from body-as-a-whole (BAAW) injuries to scheduled member injuries.
- Instead of using “industrial disability X 500 weeks,” it is now “impairment rating X 400 weeks.”

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Figure 2. Vast Majority See Wide Range of Reduced Benefits in Shoulder Cases Post-2017

Difference in Net Compensation, pre- and post-2017 (66 cases, ordered from smallest to largest change)

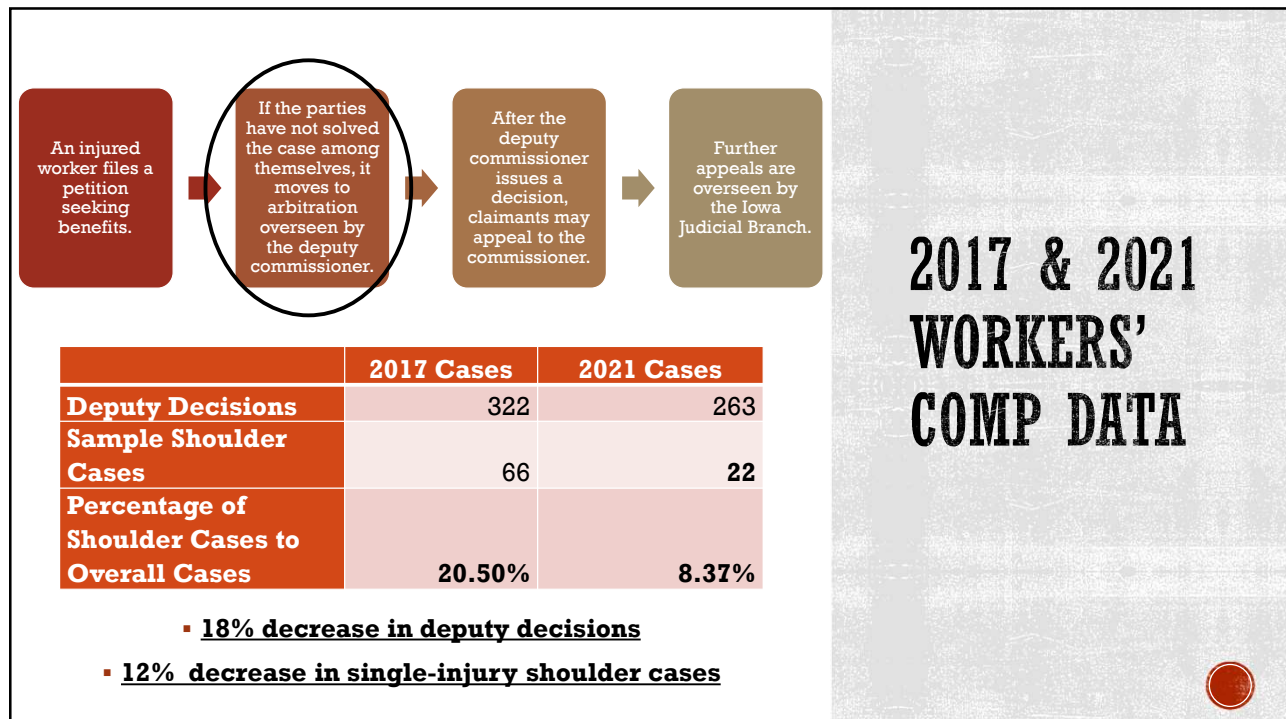


## THE COLD SHOULDER REPORT

- “Giving the Workers the Cold Shoulder: Shifting the Risk under Iowa’s Workers’ Compensation Law:” predicted the harm caused by the reclassification of shoulder injuries.
- **73.2% decrease in compensation.**

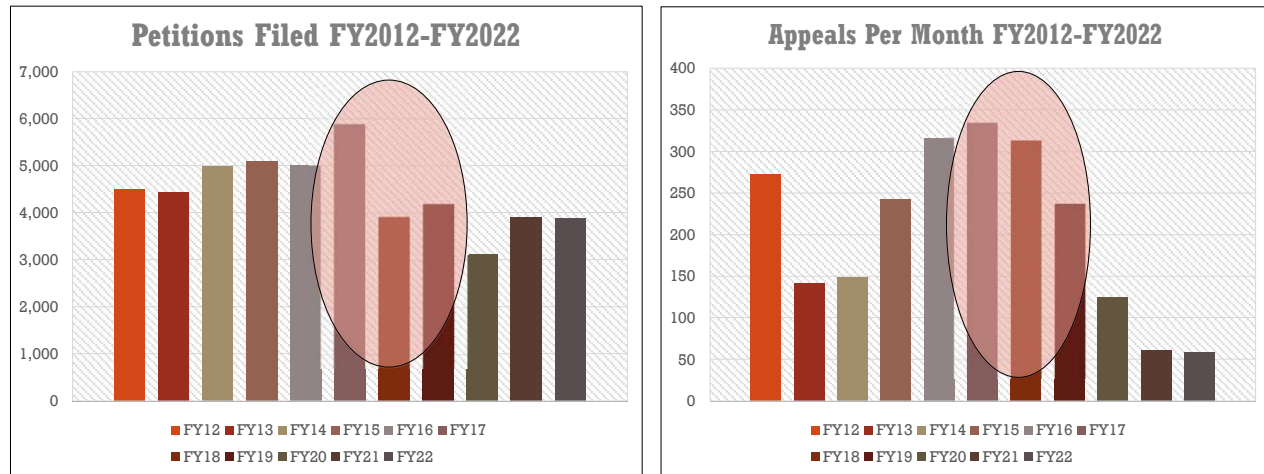


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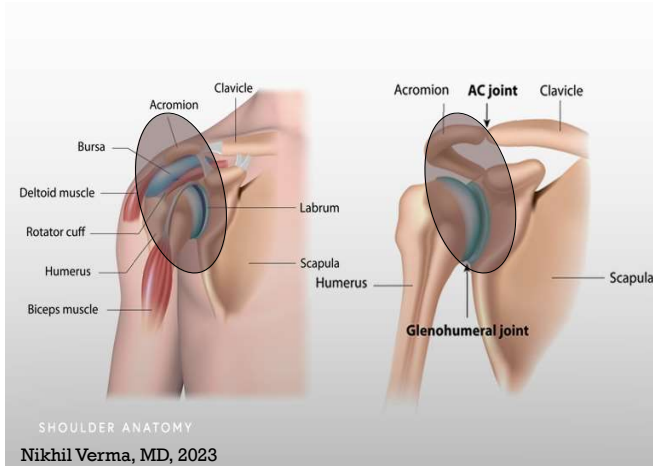
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# LARGE DECREASES IN PETITIONS & APPEALS



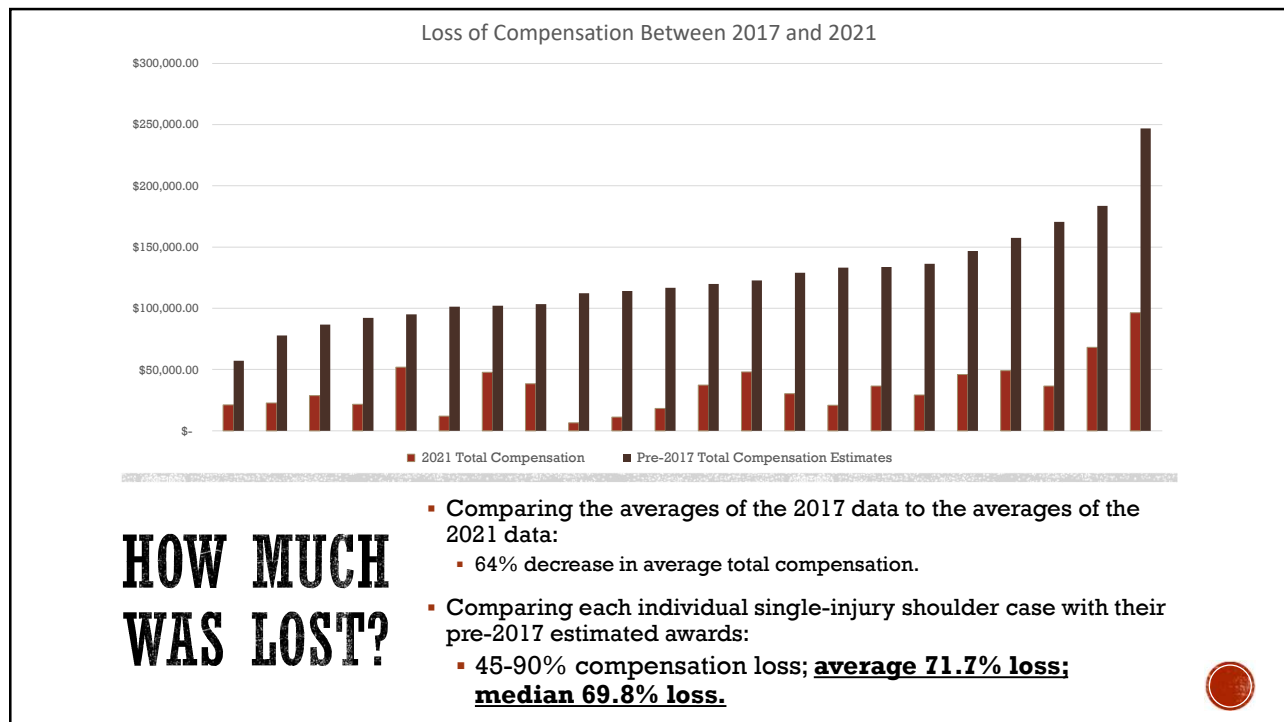
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## DEFINING "SHOULDER"



- Chavez v. MS Technology, LLC and Deng v. Farmland Foods, Inc. defined "shoulder," which had been ambiguous in the statute.
- Shoulder is defined as the gleno-humeral joint and all the muscles, tendons, and ligaments that are essential for the shoulder to function.
  - Rotator cuff included
  - Acromion & labrum included.

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## CONCLUSIONS

- This results of this report are consistent with those of the Cold Shoulder Report.**
  - Compensation for workers with shoulder injuries was massively cut.
- The 2017 legislative changes reversed the evaluation of a worker's age, removing protections for older workers and allowing bias to against them to thrive.
- Instead of helping bear the responsibility of injury in the workplace, this change allows companies to shift the risks of workplace hazards to Iowa's workers, their families, and taxpayer funded social safety networks.

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## WORKS CITED

- Chavez v. MS Technology, LLC, File No. 5066270 (App. September 30, 2020).
- Deng v. Farmland Foods, Inc., File No. 5061883 (App. September 29, 2020).
- Division of Workers' Compensation Decisions database, <https://efile.iowaworkcomp.gov/decisions/decisions.html>.
- Emily Schott, Matthew Glasson, and Colin Gordon, "Giving Workers the Cold Shoulder: Shifting the Risk under Iowa's Workers' Compensation Law," *The Iowa Policy Project* (September 2018), 1-15.
- Iowa Code §85.34(2).
- Workers' Compensation section of the Iowa Workforce Development Annual Report for the years 2017 through 2021.

