

SUBCHAPTER I
GENERAL PROVISIONS

85.1 Inapplicability of chapter.

Except as provided in [subsection 6](#) of [this section](#), [this chapter](#) does not apply to:

1. Any employee engaged in any type of service in or about a private dwelling except that after July 1, 1997, [this chapter](#) shall apply to such persons who earn one thousand five hundred dollars or more from such employer for whom employed at the time of the injury during the twelve consecutive months prior to the injury, provided the employee is not a regular member of the household. For purposes of [this subsection](#), “*member of the household*” is defined to be the spouse of the employer or relatives of either the employer or spouse residing on the premises of the employer.

2. Persons whose employment is purely casual and not for the purpose of the employer’s trade or business, except that after July 1, 1997, [this chapter](#) shall apply to such employees who earn one thousand five hundred dollars or more from such employer for whom employed at the time of the injury during the twelve consecutive months prior to the injury.

3. Persons engaged in agriculture, insofar as injuries incurred by employees while engaged in agricultural pursuits or any operations immediately connected therewith whether on or off the premises of the employer, except:

a. [This chapter](#) applies to persons not specifically exempted by paragraph “*b*” of [this subsection](#) if at the time of injury the person is employed by an employer whose total cash payroll to one or more persons other than those exempted by paragraph “*b*” of [this subsection](#) amounted to two thousand five hundred dollars or more during the preceding calendar year.

b. The following persons or employees or groups of employees are specifically included within the exemption from coverage of [this chapter](#) provided by [this subsection](#):

(1) The spouse of the employer, parents, brothers, sisters, children, and stepchildren of either the employer or the spouse of the employer, and the spouses of the brothers, sisters, children, and stepchildren of either the employer or the spouse of the employer.

(2) The spouse of a partner of a partnership, the parents, brothers, sisters, children, and stepchildren of either a partner or the spouse of a partner, and the spouses of the brothers, sisters, children, and stepchildren of either a partner or the spouse of a partner, who are employed by the partnership and actually engaged in agricultural pursuits or operations immediately connected with the agricultural pursuits either on or off the premises of the partnership. For the purpose of this subparagraph, “*partnership*” includes partnerships, limited partnerships, and joint ventures.

(3) Officers of a family farm corporation or members of a limited liability company, spouses of the officers or members, the parents, brothers, sisters, children, and stepchildren of either the officers or members, or the spouses of the officers or members, and the spouses of the brothers, sisters, children, and stepchildren of either the officers or members, or the spouses of the officers or members who are employed by the corporation or limited liability company, the primary purpose of which, although not necessarily the stated purpose, is farming or ownership of agricultural land, and who are actually engaged in agricultural pursuits or operations immediately connected with the agricultural pursuits either on or off the premises of the corporation or limited liability company.

(4) A person engaged in agriculture as an owner of agricultural land, as a farm operator, or as a person engaged in agriculture who is exempt from coverage under [this chapter](#) by [subsection 3](#), paragraph “*b*”, subparagraph (1), (2), or (3), while exchanging labor with another owner of agricultural land, farm operator, or person engaged in agriculture who is exempt from coverage under [this chapter](#) by [subsection 3](#), paragraph “*b*”, subparagraph (1), (2), or (3), for the mutual benefit of all such persons.

4. Persons entitled to benefits pursuant to [chapters 410](#) and [411](#).

5. The president, vice president, secretary, and treasurer of a corporation other than a family farm corporation, not to exceed four officers per corporation, if such an officer knowingly and voluntarily rejects workers’ compensation coverage pursuant to [section 87.22](#).

6. Employers may with respect to an employee or a classification of employees exempt

from coverage provided by [this chapter](#) pursuant to [subsection 1, 2, or 3](#), other than the employee or classification of employees with respect to whom a rule of liability or a method of compensation is established by the Congress of the United States, assume a liability for compensation imposed upon employers by [this chapter](#), for the benefit of employees within the coverage of [this chapter](#), by the purchase of valid workers' compensation insurance that does not specifically exclude the employee or classification of employees. The purchase of and acceptance by an employer of valid workers' compensation insurance applicable to the employee or classification of employees constitutes an assumption by the employer of liability without any further act on the part of the employer, but only with respect to the employee or classification of employees as are within the coverage of the workers' compensation insurance contract and only for the time period in which the insurance contract is in force. Upon an election of such coverage, the employee or classification of employees shall accept compensation in the manner provided by [this chapter](#) and the employer shall be relieved from any other liability for recovery of damage, or other compensation for injury.

[S13, §2477-m; C24, 27, 31, 35, 39, §1361; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.1; 82 Acts, ch 1161, §1, 2, ch 1221, §1]

83 Acts, ch 36, §1, 2, 8; 84 Acts, ch 1067, §14; 96 Acts, ch 1059, §1; 97 Acts, ch 43, §1, 2; 2007 Acts, ch 128, §1; 2022 Acts, ch 1021, §26

Referred to in §85.2, 85.61, 85.62, 87.21

85.1A Proprietors, limited liability company members, limited liability partners, and partners.

A proprietor, limited liability company member, limited liability partner, or partner who is actively engaged in the proprietor's, limited liability company member's, limited liability partner's, or partner's business on a substantially full-time basis may elect to be covered by the workers' compensation law of this state by purchasing valid workers' compensation insurance specifically including the proprietor, limited liability company member, limited liability partner, or partner. The election constitutes an assumption by the employer of workers' compensation liability for the proprietor, limited liability company member, limited liability partner, or partner for the time period in which the insurance contract is in force. The proprietor, limited liability company member, limited liability partner, or partner shall accept compensation in the manner provided by the workers' compensation law and the employer is relieved from any other liability for recovery of damages, or other compensation for injury.

86 Acts, ch 1074, §1; 96 Acts, ch 1059, §2; 2001 Acts, ch 87, §1

Referred to in §85.61, 87.22

85.2 Public employees — chapter compulsory.

Where the state, county, municipal corporation, school corporation, area education agency, or city under any form of government is the employer, the provisions of [this chapter](#) for the payment of compensation and amount thereof for an injury sustained by an employee of such employer shall be exclusive, compulsory, and obligatory upon both employer and employee, except as otherwise provided in [section 85.1](#). For the purposes of [this chapter](#), elected and appointed officials shall be employees.

[S13, §2477-m; C24, 27, 31, 35, 39, §1362; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.2]

85.3 Acceptance presumed — notice to nonresident employers.

1. Every employer, not specifically excepted by the provisions of [this chapter](#), shall provide, secure, and pay compensation according to the provisions of [this chapter](#) for any and all personal injuries sustained by an employee arising out of and in the course of the employment, and in such cases, the employer shall be relieved from other liability for recovery of damages or other compensation for such personal injury.

2. Any employer who is a nonresident of this state, for whom services are performed within this state by any employee, is deemed to be doing business in this state by virtue of having such services performed and the employer and employee shall be subject to the jurisdiction of the workers' compensation commissioner and to all of the provisions of [chapter 10A, subchapter III, this chapter](#), and [chapters 85A, 85B, and 87](#), as to any and all personal injuries sustained by the employee arising out of and in the course of such employment within

this state. In addition, every corporation, individual, personal representative, partnership, or association that has the necessary minimum contact with this state shall be subject to the jurisdiction of the workers' compensation commissioner, and the workers' compensation commissioner shall hold such corporation, individual, personal representative, partnership, or association amenable to suit in this state in every case not contrary to the provisions of the Constitution of the United States.

3. a. Service of process or original notice upon a nonresident employer may be performed as provided in [section 617.3](#) or as provided in the Iowa rules of civil procedure. In addition, service may be made on any corporation, individual, personal representative, partnership, or association that has the necessary minimum contact with this state as provided in [rule of civil procedure 1.305](#) within or without this state or, if such service cannot be made, in any manner consistent with due process of law prescribed by the workers' compensation commissioner.

b. In addition to those persons authorized to receive personal service as in civil actions as permitted by [chapter 17A](#) and [this chapter](#), such employer shall be deemed to have appointed the secretary of state of this state as its lawful attorney upon whom may be served or delivered any and all notices authorized or required by the provisions of [chapter 10A, subchapter III, this chapter](#), and [chapters 85A, 85B, 87, and 17A](#), and to agree that any and all such services or deliveries of notice on the secretary of state shall be of the same legal force and validity as if personally served upon or delivered to such nonresident employer in this state.

c. [This section](#) does not limit or affect the right to serve an original notice upon any corporation, individual, personal representative, partnership, or association within or without this state in any manner otherwise permitted by statute or rule.

4. For purposes of [this section](#), a nonresident employer is any employer that is not a resident of Iowa as defined in [section 617.3](#).

[S13, §2477-m; C24, 27, 31, 35, 39, §1363; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.3] 98 Acts, ch 1061, §11; 2000 Acts, ch 1007, §1; 2000 Acts, ch 1232, §46; 2008 Acts, ch 1032, §201; 2023 Acts, ch 19, §1740, 1741

Subsection 2 amended

Subsection 3, paragraph b amended

85.4 through 85.15 Reserved.

85.16 Willful injury — intoxication.

No compensation under [this chapter](#) shall be allowed for an injury caused:

1. By the employee's willful intent to injure the employee's self or to willfully injure another.

2. a. By the employee's intoxication, which did not arise out of and in the course of employment but which was due to the effects of alcohol or another narcotic, depressant, stimulant, hallucinogenic, or hypnotic drug not prescribed by an authorized medical practitioner, if the intoxication was a substantial factor in causing the injury.

b. For the purpose of disallowing compensation under [this subsection](#), both of the following apply:

(1) If the employer shows that, at the time of the injury or immediately following the injury, the employee had positive test results reflecting the presence of alcohol, or another narcotic, depressant, stimulant, hallucinogenic, or hypnotic drug which drug either was not prescribed by an authorized medical practitioner or was not used in accordance with the prescribed use of the drug, it shall be presumed that the employee was intoxicated at the time of the injury and that intoxication was a substantial factor in causing the injury.

(2) Once the employer has made a showing as provided in subparagraph (1), the burden of proof shall be on the employee to overcome the presumption by establishing that the employee was not intoxicated at the time of the injury, or that intoxication was not a substantial factor in causing the injury.

3. By the willful act of a third party directed against the employee for reasons personal to such employee.

[S13, §2477-m, -m1; C24, 27, 31, 35, 39, §1376; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.16]

83 Acts, ch 105, §1; 2017 Acts, ch 23, §1, 24

85.17 Reserved.

85.18 Contract to relieve not operative.

A contract, rule, or device shall not operate to relieve the employer, in whole or in part, from any liability created by [this chapter](#) except as provided in [this chapter](#). [This section](#) does not create a private cause of action.

[S13, §2477-m7; C24, 27, 31, 35, 39, §1378; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.18]

2017 Acts, ch 23, §2, 24; 2023 Acts, ch 66, §13

Section amended

85.19 Reserved.

85.20 Rights of employee exclusive.

The rights and remedies provided in [this chapter](#), [chapter 85A](#), or [chapter 85B](#) for an employee, or a student participating in a work-based learning opportunity as provided in [section 85.61](#), on account of injury, occupational disease, or occupational hearing loss for which benefits under [this chapter](#), [chapter 85A](#), or [chapter 85B](#) are recoverable, shall be the exclusive and only rights and remedies of the employee or student, the employee's or student's personal or legal representatives, dependents, or next of kin, at common law or otherwise, on account of such injury, occupational disease, or occupational hearing loss against any of the following:

1. Against the employee's employer.
2. Against any other employee of such employer, provided that such injury, occupational disease, or occupational hearing loss arises out of and in the course of such employment and is not caused by the other employee's gross negligence amounting to such lack of care as to amount to wanton neglect for the safety of another.
3. For a student participating in a work-based learning opportunity as provided in [section 85.61](#), against the student's school district of residence, receiving school district if the student is participating in open enrollment under [section 282.18](#), accredited nonpublic school, or community college, and the directors, officers, authorities, and employees of the applicable school corporation or school.

[S13, §2477-m2; C24, 27, 31, 35, 39, §1380; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.20]

97 Acts, ch 37, §1; 2016 Acts, ch 1108, §12, 13; 2018 Acts, ch 1130, §1, 4

Referred to in §85.22, 256.133, 670.12

85.21 Payments concerning liability disputes.

1. The workers' compensation commissioner may order any number or combination of alleged workers' compensation insurance carriers and alleged employers, which are parties to a contested case or to a dispute which could culminate in a contested case, to pay all or part of the benefits due to an employee or an employee's dependent or legal representative if any of the carriers or employers agree, or the commissioner determines after an evidentiary hearing, that one or more of the carriers or employers is liable to the employee or to the employee's dependent or legal representative for benefits under [this chapter](#) or under [chapter 85A](#) or [85B](#), but the carriers or employers cannot agree, or the commissioner has not determined which carriers or employers are liable.

2. Unless waived by the carriers or employers ordered to pay benefits, the workers' compensation commissioner shall order an employer, which is not ordered to pay benefits and which does not have in force a policy of workers' compensation insurance issued by any carrier which is a party to the case or dispute and covering the claim made by the employee

or the employee's dependent or legal representative, to post a bond or to deposit cash with the commissioner equal to the benefits paid or to be paid by the carriers or employers ordered to pay benefits. If any employer is ordered by the commissioner to post bond or to deposit cash, the employers or carriers ordered to pay benefits are not obligated to pay benefits until the bond is posted or the cash is deposited. The commissioner may order the bond or cash deposit to be increased.

3. When liability is finally determined by the workers' compensation commissioner, the commissioner shall order the carriers or employers liable to the employee or to the employee's dependent or legal representative to reimburse the carriers or employers which are not liable but were required to pay benefits. Benefits paid or reimbursed pursuant to an order authorized by [this section](#) do not require the filing of a memorandum of agreement. However, a contested case for benefits under [this chapter](#) or under [chapter 85A](#) or [85B](#) shall not be maintained against a party to a case or dispute resulting in an order authorized by [this section](#) unless the contested case is commenced within three years from the date of the last benefit payment under the order. The commissioner may determine liability for the payment of workers' compensation benefits under [this section](#).

[C77, 79, 81, §86.20; 82 Acts, ch 1161, §22]

98 Acts, ch 1061, §11

85.22 Liability of others — subrogation.

When an employee receives an injury or incurs an occupational disease or an occupational hearing loss for which compensation is payable under [this chapter](#), [chapter 85A](#), or [chapter 85B](#), and which injury or occupational disease or occupational hearing loss is caused under circumstances creating a legal liability against some person, other than the employee's employer or any employee of such employer as provided in [section 85.20](#) to pay damages, the employee, or the employee's dependent, or the trustee of such dependent, may take proceedings against the employer for compensation, and the employee or, in case of death, the employee's legal representative may also maintain an action against such third party for damages. When an injured employee or the employee's legal representative brings an action against such third party, a copy of the original notice shall be served upon the employer by the plaintiff, not less than ten days before the trial of the case, but a failure to give such notice shall not prejudice the rights of the employer, and the following rights and duties shall ensue:

1. If compensation is paid the employee or dependent or the trustee of such dependent under [this chapter](#), the employer by whom the same was paid, or the employer's insurer which paid it, shall be indemnified out of the recovery of damages to the extent of the payment so made, with legal interest, except for such attorney fees as may be allowed, by the district court, to the injured employee's attorney or the attorney of the employee's personal representative, and shall have a lien on the claim for such recovery and the judgment thereon for the compensation for which the employer or insurer is liable. In order to continue and preserve the lien, the employer or insurer shall, within thirty days after receiving notice of such suit from the employee, file, in the office of the clerk of the court where the action is brought, notice of the lien.

2. In case the employee fails to bring such action within ninety days, or where a city or a city under special charter is such third party, within thirty days after written notice so to do given by the employer or the employer's insurer, as the case may be, then the employer or the insurer shall be subrogated to the rights of the employee to maintain the action against such third party, and may recover damages for the injury to the same extent that the employee might. In case of recovery, the court shall enter judgment for distribution of the proceeds thereof as follows:

a. A sum sufficient to repay the employer for the amount of compensation actually paid by the employer to that time.

b. A sum sufficient to pay the employer the present worth, computed at the interest rate provided in [section 535.3](#) for court judgments and decrees, of the future payments of compensation for which the employer is liable, but the sum is not a final adjudication of the future payments which the employee is entitled to receive and if the sum received by the

employer is in excess of the amount required to pay the compensation, the excess shall be paid to the employee.

c. The balance, if any, shall be paid over to the employee.

3. Before a settlement shall become effective between an employee or an employer and such third party who is liable for the injury, it must be with the written consent of the employee, in case the settlement is between the employer or insurer and such third person; and the consent of the employer or insurer, in case the settlement is between the employee and such third party; or on refusal of consent, in either case, then upon the written approval of the workers' compensation commissioner.

4. A written memorandum of any settlement, if made, shall be filed by the employer or insurance carrier in the office of the workers' compensation commissioner.

5. For subrogation purposes, any payment made unto an injured employee, the employee's guardian, parent, next friend, or legal representative, by or on behalf of any third party, or the third party's principal or agent liable for, connected with, or involved in causing an injury to such employee shall be considered as having been so paid as damages resulting from and because said injury was caused under circumstances creating a legal liability against said third party, whether such payment be made under a covenant not to sue, compromise settlement, denial of liability or otherwise.

6. When the state of Iowa has paid any compensation or benefits under the provisions of this chapter, the word "employer" as used in this section shall mean and include the state of Iowa.

[S13, §2477-m6; C24, 27, 31, 35, 39, §1382; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.22]

83 Acts, ch 105, §2; 98 Acts, ch 1061, §11; 2018 Acts, ch 1041, §26; 2020 Acts, ch 1063, §42
Referred to in §85.68

85.23 Notice of injury — failure to give.

Unless the employer or the employer's representative shall have actual knowledge of the occurrence of an injury received within ninety days from the date of the occurrence of the injury, or unless the employee or someone on the employee's behalf or a dependent or someone on the dependent's behalf shall give notice thereof to the employer within ninety days from the date of the occurrence of the injury, no compensation shall be allowed. For the purposes of this section, "date of the occurrence of the injury" means the date that the employee knew or should have known that the injury was work-related.

[S13, §2477-m8; C24, 27, 31, 35, 39, §1383; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.23]

2017 Acts, ch 23, §3, 24
Referred to in §10A.313, 85.59

85.24 Form of notice.

1. No particular form of notice shall be required, but may be substantially as follows:

To

You are hereby notified that on or about the day of (month), (year), personal injury was sustained by, while in your employ at (Give name and place employed and point where located when injury occurred.) and that compensation will be claimed therefor.

Signed

2. No variation from this form of notice shall be material if the notice is sufficient to advise the employer that a certain employee, by name, received an injury in the course of employment on or about a specified time, at or near a certain place.

[S13, §2477-m8; C24, 27, 31, 35, 39, §1384; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.24]

2000 Acts, ch 1058, §56

85.25 Service of notice.

The notice may be served on anyone upon whom an original notice may be served in civil cases. Service may be made by any person, who shall make return verified by affidavit upon a copy of the notice, showing the date and place of service and upon whom served; but no special form of the return of service of the notice shall be required. It shall be sufficient if the facts therefrom can be reasonably ascertained. The return of service may be amended at any time.

[S13, §2477-m8; C24, 27, 31, 35, 39, §1385; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.25]

Service of notice, [R.C.P. 1.305, 1.306](#)

85.26 Limitation of actions — who may maintain action.

1. An original proceeding for benefits under [chapter 10A, subchapter III, this chapter](#), or [chapter 85A](#) or [85B](#), shall not be maintained in any contested case unless the proceeding is commenced within two years from the date of the occurrence of the injury for which benefits are claimed or, if weekly compensation benefits are paid under [section 10A.315](#), within three years from the date of the last payment of weekly compensation benefits. For the purposes of [this section](#), “*date of the occurrence of the injury*” means the date that the employee knew or should have known that the injury was work-related.

2. An award for payments or an agreement for settlement provided by [section 10A.315](#) for benefits under [this chapter](#) or [chapter 85A](#) or [85B](#), where the amount has not been commuted, may be reviewed upon commencement of reopening proceedings by the employer or the employee within three years from the date of the last payment of weekly benefits made under the award or agreement. If an award for payments or agreement for settlement as provided by [section 10A.315](#) for benefits under [this chapter](#) or [chapter 85A](#) or [85B](#) has been made and the amount has not been commuted, or if a denial of liability is not filed with the workers' compensation commissioner and notice of the denial is not mailed to the employee, in the form and manner required by the commissioner, within six months of the commencement of weekly compensation benefits, the commissioner may at any time upon proper application make a determination and appropriate order concerning the entitlement of an employee to benefits provided for in [section 85.27](#). The failure to file a denial of liability does not constitute an admission of liability under [chapter 10A, subchapter III, this chapter](#), or [chapter 85A](#) or [85B](#).

3. Notwithstanding [chapter 17A](#), the filing with the workers' compensation commissioner of the original notice or petition for an original proceeding or an original notice or petition to reopen an award or agreement of settlement provided by [section 10A.315](#), for benefits under [this chapter](#) or [chapter 85A](#) or [85B](#) is the only act constituting commencement for purposes of [this section](#).

4. No claim or proceedings for benefits shall be maintained by any person other than the injured employee, or the employee's dependent or legal representative if entitled to benefits.

[S13, §2477-m34; C24, 27, 31, 35, 39, §1386, 1457; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §85.26, 86.34; C79, 81, §85.26; [82 Acts, ch 1161, §3](#)]

[83 Acts, ch 105, §3](#); [84 Acts, ch 1067, §15](#); [98 Acts, ch 1061, §3, 11](#); [2017 Acts, ch 23, §4, 24](#); [2021 Acts, ch 76, §17](#); [2023 Acts, ch 19, §1742](#)

Referred to in [§10A.315, 85.27, 85.34, 85.35, 85.59, 85.72](#)

Subsections 1 and 2 amended

85.27 Services — release of information — charges — payment — debt collection prohibited.

1. *a.* The employer, for all injuries compensable under [this chapter](#) or [chapter 85A](#), shall furnish reasonable surgical, medical, dental, osteopathic, chiropractic, podiatric, physical rehabilitation, nursing, ambulance, and hospital services and supplies therefor and shall allow reasonably necessary transportation expenses incurred for such services. The employer shall also furnish reasonable and necessary crutches, artificial members, and appliances.

b. An employer shall not be required to furnish more than one set of permanent prosthetic devices.

c. Paragraph “b” shall not apply if a permanent prosthetic device is a replacement of a permanent prosthetic device that is medically necessary as a result of a compensable injury that occurred while the employee was employed by the employer and the replacement of the prosthetic device would be considered reasonable medical care under [this chapter](#).

2. Any employee, employer, or insurance carrier making or defending a claim for benefits agrees to the release of all information to which the employee, employer, or carrier has access concerning the employee’s physical or mental condition relative to the claim and further waives any privilege for the release of the information. The information shall be made available to any party or the party’s representative upon request. Any institution or person releasing the information to a party or the party’s representative shall not be liable criminally or for civil damages by reason of the release of the information. If release of information is refused, the party requesting the information may apply to the workers’ compensation commissioner for relief. The information requested shall be submitted to the workers’ compensation commissioner who shall determine the relevance and materiality of the information to the claim and enter an order accordingly.

3. Notwithstanding [section 85.26, subsection 4](#), charges believed to be excessive or unnecessary may be referred by the employer, insurance carrier, or health service provider to the workers’ compensation commissioner for determination, and the commissioner may utilize the procedures provided in [sections 10A.326 and 10A.327](#), or set by rule, and conduct such inquiry as the commissioner deems necessary. Any health service provider charges not in dispute shall be paid directly to the health service provider prior to utilization of procedures provided in [sections 10A.326 and 10A.327](#) or set by rule. A health service provider rendering treatment to an employee whose injury is compensable under [this section](#) agrees to be bound by such charges as allowed by the workers’ compensation commissioner and shall not recover in law or equity any amount in excess of charges set by the commissioner. When a dispute under [this chapter, chapter 85A, or chapter 85B](#) regarding reasonableness of a fee for medical services arises between a health service provider and an employer or insurance carrier, the health service provider, employer, or insurance carrier shall not seek payment from the injured employee. A health service provider shall not seek payment for fees in dispute from the insurance carrier or employer until the commissioner finds, pursuant to informal dispute resolution procedures established by rule by the commissioner, that the disputed amount is reasonable. [This section](#) does not affect the responsibility of an insurance carrier or an employer to pay amounts not in dispute or a health service provider’s right to receive payment from an employee’s nonoccupational plan as provided in [section 85.38, subsection 2](#).

4. For purposes of [this section](#), the employer is obliged to furnish reasonable services and supplies to treat an injured employee, and has the right to choose the care. If the employer chooses the care, the employer shall hold the employee harmless for the cost of care until the employer notifies the employee that the employer is no longer authorizing all or any part of the care and the reason for the change in authorization. An employer is not liable for the cost of care that the employer arranges in response to a sudden emergency if the employee’s condition, for which care was arranged, is not related to the employment. The treatment must be offered promptly and be reasonably suited to treat the injury without undue inconvenience to the employee. If the employee has reason to be dissatisfied with the care offered, the employee should communicate the basis of such dissatisfaction to the employer, in writing if requested, following which the employer and the employee may agree to alternate care reasonably suited to treat the injury. If the employer and employee cannot agree on such alternate care, the commissioner may, upon application and reasonable proofs of the necessity therefor, allow and order other care. In an emergency, the employee may choose the employee’s care at the employer’s expense, provided the employer or the employer’s agent cannot be reached immediately. An application made under [this subsection](#) shall be considered an original proceeding for purposes of commencement and contested case proceedings under [section 85.26](#). The hearing shall be conducted pursuant to [chapter 17A](#). Before a hearing is scheduled, the parties may choose a telephone hearing or an in-person hearing. A request for an in-person hearing shall be approved unless the in-person hearing would be impractical because of the distance between the parties to the

hearing. The workers' compensation commissioner shall issue a decision within ten working days of receipt of an application for alternate care made pursuant to a telephone hearing or within fourteen working days of receipt of an application for alternate care made pursuant to an in-person hearing. The employer shall notify an injured employee of the employee's ability to contest the employer's choice of care pursuant to [this subsection](#).

5. a. When an artificial member or orthopedic appliance, whether or not previously furnished by the employer, is damaged or made unusable by circumstances arising out of and in the course of employment other than through ordinary wear and tear, the employer shall repair or replace it. When any crutch, artificial member or appliance, whether or not previously furnished by the employer, either is damaged or made unusable in conjunction with a personal injury entitling the employee to disability benefits or services as provided by [this section](#), or is damaged in connection with employee actions taken which avoid such personal injury, the employer shall repair or replace it.

b. Subject to paragraph "a" but notwithstanding any other provision of [this section](#), an employer shall not be required to provide for the repair or replacement of an employee's permanent prosthetic device if the employee has an account credited to the employee pursuant to [section 85.65, subsection 2](#), in relation to that permanent prosthetic device.

6. While a contested case proceeding for determination of liability for workers' compensation benefits is pending before the workers' compensation commissioner relating to an injury alleged to have given rise to treatment, no debt collection, as defined by [section 537.7102](#), shall be undertaken against an employee or the employee's dependents for the collection of charges for that treatment rendered an employee by any health service provider. If debt collection is undertaken after a creditor receives actual notice that a contested case proceeding for determination of liability for workers' compensation benefits is pending, such debt collection shall constitute a prohibited practice under [section 537.7103](#), and the employee or the employee's dependents are entitled to the remedies provided in [section 537.5201](#). However, the health service provider may send one itemized written bill to the employee setting forth the amount of the charges in connection with the treatment after notification of the contested case proceeding.

7. If, after the third day of incapacity to work following the date of sustaining a compensable injury which does not result in permanent partial disability, or if, at any time after sustaining a compensable injury which results in permanent partial disability, an employee, who is not receiving weekly benefits under [section 85.33](#) or [section 85.34, subsection 1](#), returns to work and is required to leave work for one full day or less to receive services pursuant to [this section](#), the employee shall be paid an amount equivalent to the wages lost at the employee's regular rate of pay for the time the employee is required to leave work. For the purposes of [this subsection](#), "day of incapacity to work" means eight hours of accumulated absence from work due to incapacity to work or due to the receipt of services pursuant to [this section](#). The employer shall make the payments under [this subsection](#) as wages to the employee after making such deductions from the amount as legally required or customarily made by the employer from wages. Payments made under [this subsection](#) shall be required to be reimbursed pursuant to any insurance policy covering workers' compensation. Payments under [this subsection](#) shall not be construed to be payment of weekly benefits.

[S13, §2477-m9; C24, 27, 31, 35, 39, §1387; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.27; 82 Acts, ch 1161, §4]

92 Acts, ch 1120, §1; 92 Acts, ch 1181, §1; 94 Acts, ch 1065, §1, 2; 98 Acts, ch 1061, §11; 2001 Acts, ch 87, §2; 2004 Acts, 1st Ex, ch 1001, §9, 18; 2005 Acts, ch 168, §9, 23; 2007 Acts, ch 22, §20; 2007 Acts, ch 128, §2; 2018 Acts, ch 1041, §27; 2022 Acts, ch 1128, §1, 2

Referred to in §85.26, 85.29, 85.31, 85.34, 85.35, 85.37, 85.38, 85.45, 85.59, 537.7103

Section not amended; internal reference changes applied

85.28 Burial expense.

When death ensues from the injury, the employer shall pay the reasonable expenses of burial of such employee, not to exceed twelve times the statewide average weekly wage paid employees as determined by the department of workforce development under [section](#)

96.1A, subsection 35, and in effect at the time of death, which shall be in addition to other compensation or any other benefit provided for in [this chapter](#).

[S13, §2477-m9; C24, 27, 31, 35, 39, §1388; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.28]

92 Acts, ch 1031, §1; 2003 Acts, ch 140, §1; 2008 Acts, ch 1022, §1; 2020 Acts, ch 1062, §76
Referred to in §85.29, 85.31, 85.34, 85.37

85.29 Liability in case of no dependents.

When the injury causes death of an employee who leaves no dependents, then the employer shall pay the reasonable expense of the employee's sickness, if any, and the expense of burial, as provided in [sections 85.27](#) and [85.28](#), and this shall be the only compensation; provided that if, from the date of the injury until the date of the death, any weekly compensation shall have become due and unpaid up to the time of the death, the same shall be payable to the estate of the deceased employee.

[S13, §2477-m9; C24, 27, 31, 35, 39, §1389; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.29]

85.30 Maturity date and interest.

Compensation payments shall be made each week beginning on the eleventh day after the injury, and each week thereafter during the period for which compensation is payable, and if not paid when due, there shall be added to the weekly compensation payments, interest at the rate provided in [section 535.3](#) for court judgments and decrees.

[C24, 27, 31, 35, 39, §1391; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.30; 82 Acts, ch 1161, §5]

Referred to in §10A.316, 535.3

85.31 Death cases — dependents.

1. *a.* When death results from the injury, the employer shall pay the dependents who were wholly dependent on the earnings of the employee for support at the time of the injury, during their lifetime, compensation upon the basis of eighty percent per week of the employee's average weekly spendable earnings, commencing from the date of death as follows:

(1) To the surviving spouse for life or until remarriage, provided that upon remarriage two years' benefits shall be paid to the surviving spouse in a lump sum, if there are no children entitled to benefits.

(2) To any child of the deceased until the child shall reach the age of eighteen, provided that a child beyond eighteen years of age shall receive benefits to the age of twenty-five if actually dependent, and the fact that a child is under twenty-five years of age and is enrolled as a full-time student in any accredited educational institution shall be a prima facie showing of actual dependency.

(3) To any child who was physically or mentally incapacitated from earning at the time of the injury causing death for the duration of the incapacity from earning.

(4) To all other dependents as defined in [section 85.44](#) for the duration of the incapacity from earning.

b. The weekly benefit amount shall not exceed a weekly benefit amount, rounded to the nearest dollar, equal to two hundred percent of the statewide average weekly wage paid employees as determined by the department of workforce development under [section 96.1A, subsection 35](#), and in effect at the time of the injury. The minimum weekly benefit amount shall be equal to the weekly benefit amount of a person whose gross weekly earnings are thirty-five percent of the statewide average weekly wage. Such compensation shall be in addition to the benefits provided by [sections 85.27](#) and [85.28](#).

2. When the injury causes the death of a minor employee whose earnings were received by the parent and such parent was wholly dependent upon the earnings of the minor employee for support at the time of the injury, the compensation to be paid such parent shall be the weekly compensation for an adult with like earnings. For the purposes of [this section](#) a stepparent shall be regarded as a parent only when the stepparent has actually received the stepparent's principal support from the stepchild who died as a result of compensable injuries.

3. If the employee leaves dependents only partially dependent upon the employee's

earnings for support at the time of the injury, the weekly compensation to be paid as provided in [subsections 1 and 2](#) shall be equal to the same proportion of the weekly payments for the benefit of persons wholly dependent as the amount contributed by the employee to such partial dependents bears to the annual earnings of the deceased at the time of the injury.

4. Where an employee is entitled to compensation under [this chapter](#) for an injury received, and death ensues from any cause not resulting from the injury for which the employee was entitled to the compensation, payments of the unpaid balance for such injury shall cease and all liability therefor shall terminate.

5. Except as otherwise provided by treaty, whenever, under the provisions of [chapter 10A, subchapter III, this chapter, and chapter 87](#), compensation is payable to a dependent who is an alien not residing in the United States at the time of the injury, the employer shall pay fifty percent of the compensation herein otherwise provided to such dependent, and the other fifty percent shall be paid into the second injury fund in the custody of the treasurer of state. But if the nonresident alien dependent is a citizen of a government having a compensation law which excludes citizens of the United States, either resident or nonresident, from partaking of the benefits of such law in as favorable degree as herein extended to the nonresident alien, then the compensation which would otherwise be payable to the dependent shall be paid into the second injury fund in the custody of the treasurer of state.

[S13, §2477-m9, -m10; C24, 27, 31, 35, 39, §1392; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.31; [82 Acts, ch 1161, §6](#)]

[87 Acts, ch 111, §1; 94 Acts, ch 1065, §3; 96 Acts, ch 1186, §23; 2008 Acts, ch 1032, §169; 2020 Acts, ch 1062, §77; 2021 Acts, ch 80, §33; 2022 Acts, ch 1021, §27; 2023 Acts, ch 19, §1743](#)

Referred to in [§85.43, 85.45](#)

Subsection 5 amended

85.32 When compensation begins.

1. Except as to injuries resulting in permanent partial disability, compensation shall begin on the fourth day of disability after the injury.

2. If the period of incapacity extends beyond the fourteenth day following the date of injury, then the compensation due during the third week shall be increased by adding thereto an amount equal to three days of compensation.

[S13, §2477-m9; C24, 27, 31, 35, 39, §1393; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.32]

[2018 Acts, ch 1041, §127](#)

Referred to in [§85.33](#)

85.33 Temporary total and temporary partial disability.

1. Except as provided in [subsection 2 of this section](#), the employer shall pay to an employee for injury producing temporary total disability weekly compensation benefits, as provided in [section 85.32](#), until the employee has returned to work or is medically capable of returning to employment substantially similar to the employment in which the employee was engaged at the time of injury, whichever occurs first.

2. “*Temporary partial disability*” or “*temporarily, partially disabled*” means the condition of an employee for whom it is medically indicated that the employee is not capable of returning to employment substantially similar to the employment in which the employee was engaged at the time of injury, but is able to perform other work consistent with the employee’s disability. “*Temporary partial benefits*” means benefits payable, in lieu of temporary total disability and healing period benefits, to an employee because of the employee’s temporary partial reduction in earning ability as a result of the employee’s temporary partial disability. Temporary partial benefits shall not be considered benefits payable to an employee, upon termination of temporary partial or temporary total disability, the healing period, or permanent partial disability, because the employee is not able to secure work paying weekly earnings equal to the employee’s weekly earnings at the time of injury.

3. *a.* If an employee is temporarily, partially disabled and the employer for whom the employee was working at the time of injury offers to the employee suitable work consistent with the employee’s disability the employee shall accept the suitable work, and be compensated with temporary partial benefits. If the employer offers the employee suitable

work and the employee refuses to accept the suitable work offered by the employer, the employee shall not be compensated with temporary partial, temporary total, or healing period benefits during the period of the refusal. Work offered at the employer's principal place of business or established place of operation where the employee has previously worked is presumed to be geographically suitable for an employee whose duties involve travel away from the employer's principal place of business or established place of operation more than fifty percent of the time. If suitable work is not offered by the employer for whom the employee was working at the time of the injury and the employee who is temporarily, partially disabled elects to perform work with a different employer, the employee shall be compensated with temporary partial benefits.

b. The employer shall communicate an offer of temporary work to the employee in writing, including details of lodging, meals, and transportation, and shall communicate to the employee that if the employee refuses the offer of temporary work, the employee shall communicate the refusal and the reason for the refusal to the employer in writing and that during the period of the refusal the employee will not be compensated with temporary partial, temporary total, or healing period benefits, unless the work refused is not suitable. If the employee refuses the offer of temporary work on the grounds that the work is not suitable, the employee shall communicate the refusal, along with the reason for the refusal, to the employer in writing at the time the offer of work is refused. Failure to communicate the reason for the refusal in this manner precludes the employee from raising suitability of the work as the reason for the refusal until such time as the reason for the refusal is communicated in writing to the employer.

4. If an employee is entitled to temporary partial benefits under [subsection 3 of this section](#), the employer for whom the employee was working at the time of injury shall pay to the employee weekly compensation benefits, as provided in [section 85.32](#), for and during the period of temporary partial disability. The temporary partial benefit shall be sixty-six and two-thirds percent of the difference between the employee's weekly earnings at the time of injury, computed in compliance with [section 85.36](#), and the employee's actual gross weekly income from employment during the period of temporary partial disability. If at the time of injury an employee is paid on the basis of the output of the employee, with a minimum guarantee pursuant to a written employment agreement, the minimum guarantee shall be used as the employee's weekly earnings at the time of injury. However, the weekly compensation benefits shall not exceed the payments to which the employee would be entitled under [section 85.36](#) or [section 85.37](#), or under [subsection 1 of this section](#).

5. If an employee sustains an injury arising out of and in the course of employment while receiving temporary partial disability benefits, the rate of weekly compensation benefits shall be based on the employee's weekly earnings at the time of the injury producing temporary partial disability.

6. For purposes of [this section](#) and [section 85.34, subsection 1](#), "*employment substantially similar to the employment in which the employee was engaged at the time of injury*" includes, for purposes of an individual who was injured in the course of performing as a professional athlete, any employment the individual has previously performed.

[S13, §2477-m9; C24, 27, 31, 35, 39, §1394; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.33; [82 Acts, ch 1161, §7](#)]

[94 Acts, ch 1065, §4](#); [97 Acts, ch 48, §1](#); [2017 Acts, ch 23, §5, 24](#); [2018 Acts, ch 1041, §28](#)

Referred to in [§85.27](#), [85.34](#), [85.62](#), [96.7\(2\)\(a\)](#), [96.23](#), [279.40](#)

85.34 Permanent disabilities.

Compensation for permanent disabilities and during a healing period for permanent partial disabilities shall be payable to an employee as provided in [this section](#). In the event weekly compensation under [section 85.33](#) had been paid to any person for the same injury producing a permanent partial disability, any such amounts so paid shall be deducted from the amount of compensation payable for the healing period.

1. *Healing period.* If an employee has suffered a personal injury causing permanent partial disability for which compensation is payable as provided in [subsection 2 of this section](#), the employer shall pay to the employee compensation for a healing period, as

as such; however, if said employee is permanently and totally disabled the employee may be entitled to benefits under [subsection 3](#).

u. For permanent disfigurement of the face or head which shall impair the future usefulness and earnings of the employee in the employee's occupation at the time of receiving the injury, weekly compensation, for such period as may be determined by the workers' compensation commissioner according to the severity of the disfigurement, but not to exceed one hundred fifty weeks.

v. In all cases of permanent partial disability other than those described or referred to in paragraphs "a" through "u", the compensation shall be paid during the number of weeks in relation to five hundred weeks as the reduction in the employee's earning capacity caused by the disability bears in relation to the earning capacity that the employee possessed when the injury occurred. A determination of the reduction in the employee's earning capacity caused by the disability shall take into account the permanent partial disability of the employee and the number of years in the future it was reasonably anticipated that the employee would work at the time of the injury. If an employee who is eligible for compensation under this paragraph returns to work or is offered work for which the employee receives or would receive the same or greater salary, wages, or earnings than the employee received at the time of the injury, the employee shall be compensated based only upon the employee's functional impairment resulting from the injury, and not in relation to the employee's earning capacity. Notwithstanding [section 85.26, subsection 2](#), if an employee who is eligible for compensation under this paragraph returns to work with the same employer and is compensated based only upon the employee's functional impairment resulting from the injury as provided in this paragraph and is terminated from employment by that employer, the award or agreement for settlement for benefits under [this chapter](#) shall be reviewed upon commencement of reopening proceedings by the employee for a determination of any reduction in the employee's earning capacity caused by the employee's permanent partial disability.

w. If it is determined that an injury has produced a disability less than that specifically described in the schedule described in paragraphs "a" through "u", compensation shall be paid during the lesser number of weeks of disability determined, as will not exceed a total amount equal to the same percentage proportion of said scheduled maximum compensation.

x. In all cases of permanent partial disability described in paragraphs "a" through "u", or paragraph "v" when determining functional disability and not loss of earning capacity, the extent of loss or percentage of permanent impairment shall be determined solely by utilizing the guides to the evaluation of permanent impairment, published by the American medical association, as adopted by the workers' compensation commissioner by rule pursuant to [chapter 17A](#). Lay testimony or agency expertise shall not be utilized in determining loss or percentage of permanent impairment pursuant to paragraphs "a" through "u", or paragraph "v" when determining functional disability and not loss of earning capacity.

y. Compensation for permanent partial disability for an injury shall terminate on the date when compensation for permanent total disability for any injury begins. An employee shall not receive compensation for permanent partial disability if the employee is receiving compensation for permanent total disability.

3. *Permanent total disability.*

a. Compensation for an injury causing permanent total disability shall be upon the basis of eighty percent per week of the employee's average spendable weekly earnings, but not more than a weekly benefit amount, rounded to the nearest dollar, equal to two hundred percent of the statewide average weekly wage paid employees as determined by the department of workforce development under [section 96.1A, subsection 35](#), and in effect at the time of the injury. The minimum weekly benefit amount is equal to the weekly benefit amount of a person whose gross weekly earnings are thirty-five percent of the statewide average weekly wage. The weekly compensation is payable until the employee is no longer permanently and totally disabled.

b. Such compensation shall be in addition to the benefits provided in [sections 85.27 and 85.28](#). No compensation shall be payable under [this subsection](#) for any injury for which compensation is payable under [subsection 2 of this section](#). In the event compensation has been paid to any person under any provision of [this chapter](#), [chapter 85A](#), or [chapter 85B](#)

for an injury producing a permanent disability, any such amounts so paid shall be deducted from the total amount of compensation payable for permanent total disability. An employee shall not receive compensation for permanent partial disability if the employee is receiving compensation for permanent total disability.

c. An employee forfeits the employee's weekly compensation for a permanent total disability under [this subsection](#) for a week in which the employee is receiving a payment equal to or greater than fifty percent of the statewide average weekly wage from any of the following sources:

- (1) Gross earnings from any employer.
- (2) Payment for current services from any source.

d. An employee is not entitled to compensation for a permanent total disability under [this subsection](#) while the employee is receiving unemployment compensation under [chapter 96](#).

4. *Credits for excess payments.* If an employee is paid weekly compensation benefits for temporary total disability under [section 85.33, subsection 1](#), for a healing period under [section 85.34, subsection 1](#), or for temporary partial disability under [section 85.33, subsection 2](#), in excess of that required by [chapter 10A, subchapter III, this chapter](#), and [chapters 85A and 85B](#), the excess paid by the employer shall be credited against the liability of the employer for any future weekly benefits due for an injury to that employee, provided that the employer or the employer's representative has acted in good faith in determining and notifying an employee when the temporary total disability, healing period, or temporary partial disability benefits are terminated.

5. *Recovery of employee overpayment.* If an employee is paid any weekly benefits in excess of that required by [chapter 10A, subchapter III, this chapter](#), and [chapters 85A and 85B](#), the excess paid by the employer shall be credited against the liability of the employer for any future weekly benefits due pursuant to [subsection 2](#), for any current or subsequent injury to the same employee.

6. *Professional athlete.* For purposes of [subsection 2](#), paragraph "v", a determination of the degree of permanent disability of an individual who was injured in the course of performing as a professional athlete shall not be determined based upon employment as a professional athlete but shall be determined based upon other occupations the individual has previously performed or was reasonably suited to perform at the time of the injury.

7. *Successive disabilities.* An employer is liable for compensating only that portion of an employee's disability that arises out of and in the course of the employee's employment with the employer and that relates to the injury that serves as the basis for the employee's claim for compensation under [chapter 10A, subchapter III, this chapter](#), or [chapter 85A or 85B](#). An employer is not liable for compensating an employee's preexisting disability that arose out of and in the course of employment from a prior injury with the employer, to the extent that the employee's preexisting disability has already been compensated under [chapter 10A, subchapter III, this chapter](#), or [chapter 85A or 85B](#). An employer is not liable for compensating an employee's preexisting disability that arose out of and in the course of employment with a different employer or from causes unrelated to employment.

[S13, §2477-m9; C24, 27, 31, 35, 39, §1394 – 1396; C46, 50, 54, 58, §85.33 – 85.35; C62, 66, 71, 73, 75, 77, 79, 81, §85.34; 82 Acts, ch 1161, §8 – 11]

87 Acts, ch 111, §2, 3; 94 Acts, ch 1065, §5 – 7; 96 Acts, ch 1186, §23; 97 Acts, ch 48, §2; 98 Acts, ch 1061, §4, 11; 98 Acts, ch 1160, §1; 2004 Acts, 1st Ex, ch 1001, §10, 11, 18; 2005 Acts, ch 19, §26; 2006 Acts, ch 1010, §45; 2008 Acts, ch 1032, §170; 2017 Acts, ch 23, §6 – 14, 24; 2020 Acts, ch 1062, §78, 79; 2021 Acts, ch 80, §34; 2023 Acts, ch 19, §1744

Referred to in §85.27, 85.33, 85.59, 85.60, 85.62, 85.70, 96.7(2)(a), 96.23, 279.40
Subsections 4, 5, and 7 amended

85.35 Settlements.

1. The parties to a contested case or persons who are involved in a dispute which could culminate in a contested case may enter into a settlement of any claim arising under [chapter 10A, subchapter III, this chapter](#), or [chapter 85A or 85B](#), providing for disposition of the claim. The settlement shall be in writing on forms prescribed by the workers' compensation commissioner and submitted to the workers' compensation commissioner for approval.

2. The parties may enter into an agreement for settlement that establishes the employer's liability, fixes the nature and extent of the employee's current right to accrued benefits, and establishes the employee's right to statutory benefits that accrue in the future.

3. The parties may enter into a compromise settlement of the employee's claim to benefits as a full and final disposition of the claim.

4. The parties may enter into a settlement that is a combination of an agreement for settlement and a compromise settlement that establishes the employer's liability for part of a claim but makes a full and final disposition of other parts of a claim.

5. A contingent settlement may be made and approved, conditioned upon subsequent approval by a court or governmental agency, or upon any other subsequent event that is expected to occur within one year from the date of the settlement. If the subsequent approval or event does not occur, the contingent settlement and its approval may be vacated by order of the workers' compensation commissioner upon a petition for vacation filed by one of the parties or upon agreement by all parties. If a contingent settlement is vacated, the running of any period of limitation provided for in [section 85.26](#) is tolled from the date the settlement was initially approved until the date that the settlement is vacated, and the claim is restored to the status that the claim held when the contingent settlement was initially approved. The contingency on a settlement lapses and the settlement becomes final and fully enforceable if an action to vacate the contingent settlement or to extend the period of time allowed for the subsequent approval or event to occur is not initiated within one year from the date that the contingent settlement was initially approved.

6. The parties to any settlement made pursuant to [this section](#) may agree that the employee has the right to benefits pursuant to [section 85.27](#) under such terms and conditions as agreed to by the parties in the settlement, for a specified period of time after the settlement has been approved by the workers' compensation commissioner. During that specified period of time, the commissioner shall have jurisdiction of the settlement for the purpose of adjudicating the employee's entitlement to benefits provided for in [section 85.27](#) as agreed upon in the settlement.

7. The parties may agree that settlement proceeds, which are paid in a lump sum, are intended to compensate the injured worker at a given monthly or weekly rate over the life expectancy of the injured worker. If such an agreement is reached, neither the weekly compensation rate which either has been paid, or should have been paid, throughout the case, nor the maximum statutory weekly rate applicable to the injury shall apply. Instead, the rate set forth in the settlement agreement shall be the rate for the case.

8. *a.* If an injury relating to a claim results in the injured worker needing a medically necessary permanent prosthetic device or an alteration of an existing medically necessary permanent prosthetic device, a settlement pursuant to [this section](#) must describe the medically necessary permanent prosthetic device and identify which portion of the settlement proceeds are for the purpose of covering the estimated cost of future repair or replacement of the device.

b. Upon the approval of a settlement by the workers' compensation commissioner, moneys identified for the purpose of covering the cost of future repair or replacement of a permanent prosthetic device shall be paid to the treasurer of state as the custodian of the second injury fund for administration pursuant to [section 85.65, subsection 2, section 85.66, and section 85.67A](#).

c. Notwithstanding any other provision of [this chapter](#), moneys identified for the purpose of covering the estimated cost of future repair or replacement of a permanent prosthetic device shall not be used to calculate an injured worker's compensation schedule.

9. *a.* A settlement shall be approved by the workers' compensation commissioner if the parties show all of the following:

(1) Substantial evidence exists to support the terms of the settlement.

(2) Waiver of the employee's right to a hearing, decision, and statutory benefits is made knowingly by the employee.

(3) The settlement is a reasonable and informed compromise of the competing interests of the parties.

b. If an employee is represented by legal counsel, it is presumed that the required showing for approval of the settlement has been made.

10. Approval of a settlement by the workers' compensation commissioner is binding on the parties and shall not be construed as an original proceeding. Notwithstanding any provisions of [chapter 10A, subchapter III, this chapter](#), and [chapters 85A, 85B, and 87](#), an approved compromise settlement shall constitute a final bar to any further rights arising under [chapter 10A, subchapter III, this chapter](#), and [chapters 85A, 85B, and 87](#) regarding the subject matter of the compromise and a payment made pursuant to a compromise settlement agreement shall not be construed as the payment of weekly compensation.

[C75, 77, 79, 81, §85.35]

[83 Acts, ch 105, §4](#); [89 Acts, ch 60, §2](#); [98 Acts, ch 1061, §11](#); [2001 Acts, ch 87, §3](#); [2005 Acts, ch 168, §10, 23](#); [2008 Acts, ch 1032, §201](#); [2008 Acts, ch 1137, §1, 3](#); [2022 Acts, ch 1128, §3](#); [2023 Acts, ch 19, §1745](#)

Referred to in [§85.65](#)

Subsections 1 and 10 amended

85.36 Basis of computation.

The basis of compensation shall be the weekly earnings of the injured employee at the time of the injury. Weekly earnings means gross salary, wages, or earnings of an employee to which such employee would have been entitled had the employee worked the customary hours for the full pay period in which the employee was injured, as regularly required by the employee's employer for the work or employment for which the employee was employed, computed or determined as follows and then rounded to the nearest dollar:

1. In the case of an employee who is paid on a weekly pay period basis, the weekly gross earnings.

2. In the case of an employee who is paid on a biweekly pay period basis, one-half of the biweekly gross earnings.

3. In the case of an employee who is paid on a semimonthly pay period basis, the semimonthly gross earnings multiplied by twenty-four and subsequently divided by fifty-two.

4. In the case of an employee who is paid on a monthly pay period basis, the monthly gross earnings multiplied by twelve and subsequently divided by fifty-two.

5. In the case of an employee who is paid on a yearly pay period basis, the weekly earnings shall be the yearly earnings divided by fifty-two.

6. In the case of an employee who is paid on a daily or hourly basis, or by the output of the employee, the weekly earnings shall be computed by dividing by thirteen the earnings, including shift differential pay but not including overtime or premium pay, of the employee earned in the employ of the employer in the last completed period of thirteen consecutive calendar weeks immediately preceding the injury. If the employee was absent from employment for reasons personal to the employee during part of the thirteen calendar weeks preceding the injury, the employee's weekly earnings shall be the amount the employee would have earned had the employee worked when work was available to other employees of the employer in a similar occupation. A week which does not fairly reflect the employee's customary earnings shall be replaced by the closest previous week with earnings that fairly represent the employee's customary earnings.

7. In the case of an employee who has been in the employ of the employer less than thirteen calendar weeks immediately preceding the injury, the employee's weekly earnings shall be computed under [subsection 6](#), taking the earnings, including shift differential pay but not including overtime or premium pay, for such purpose to be the amount the employee would have earned had the employee been so employed by the employer the full thirteen calendar weeks immediately preceding the injury and had worked, when work was available to other employees in a similar occupation. If the earnings of other employees cannot be determined, the employee's weekly earnings shall be the average computed for the number of weeks the employee has been in the employ of the employer.

8. If at the time of the injury the hourly earnings have not been fixed or cannot be ascertained, the earnings for the purpose of calculating compensation shall be taken to be the usual earnings for similar services where such services are rendered by paid employees.

9. If an employee earns either no wages or less than the usual weekly earnings of the regular full-time adult laborer in the line of industry in which the employee is injured in that locality, the weekly earnings shall be one-fiftieth of the total earnings which the employee has earned from all employment during the twelve calendar months immediately preceding the injury.

a. In computing the compensation to be allowed a volunteer fire fighter, emergency medical care provider, reserve peace officer, or volunteer ambulance driver, the earnings as a fire fighter, emergency medical care provider, reserve peace officer, or volunteer ambulance driver shall be disregarded and the volunteer fire fighter, emergency medical care provider, reserve peace officer, or volunteer ambulance driver shall be paid an amount equal to the compensation the volunteer fire fighter, emergency medical care provider, reserve peace officer, or volunteer ambulance driver would be paid if injured in the normal course of the volunteer fire fighter's, emergency medical care provider's, reserve peace officer's, or volunteer ambulance driver's regular employment or an amount equal to one hundred and forty percent of the statewide average weekly wage, whichever is greater.

b. If the employee was an apprentice or trainee when injured, and it is established under normal conditions the employee's earnings should be expected to increase during the period of disability, that fact may be considered in computing the employee's weekly earnings.

c. If the employee was an inmate as defined in [section 85.59](#), the inmate's actual earnings shall be disregarded, and the weekly compensation rate shall be as set forth in [section 85.59](#).

10. If a wage, or method of calculating a wage, is used for the basis of the payment of a workers' compensation insurance premium for a proprietor, partner, limited liability company member, limited liability partner, or officer of a corporation, the wage or the method of calculating the wage is determinative for purposes of computing the proprietor's, partner's, limited liability company member's, limited liability partner's, or officer's weekly workers' compensation benefit rate.

11. In computing the compensation to be allowed an elected or appointed official, the official may choose either of the following payment options:

a. The official shall be paid an amount of compensation based on the official's weekly earnings as an elected or appointed official.

b. The earnings of the official as an elected or appointed official shall be disregarded and the official shall be paid an amount equal to one hundred forty percent of the statewide average weekly wage.

12. In the case of an employee injured in the course of performing as a professional athlete, the basis of compensation for weekly earnings shall be one-fiftieth of total earnings which the employee has earned from all employment for the previous twelve months prior to the injury.

[S13, §2477-m15; C24, 27, 31, 35, 39, §1397; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.36; [82 Acts, ch 1161, §12, 13](#)]

[86 Acts, ch 1074, §2](#); [87 Acts, ch 91, §1](#); [90 Acts, ch 1046, §1](#); [95 Acts, ch 41, §2](#); [95 Acts, ch 140, §1, 2](#); [96 Acts, ch 1059, §3](#); [96 Acts, ch 1079, §3](#); [97 Acts, ch 48, §3](#); [2000 Acts, ch 1007, §2, 3](#); [2001 Acts, ch 87, §4](#); [2004 Acts, 1st Ex, ch 1001, §12, 18](#); [2008 Acts, ch 1079, §1](#); [2010 Acts, ch 1149, §1](#)

Referred to in [§85.33](#)

85.37 Compensation schedule.

1. If an employee receives a personal injury causing temporary total disability, or causing a permanent partial disability for which compensation is payable during a healing period, compensation for the temporary total disability or for the healing period shall be upon the basis provided in [this section](#). The weekly benefit amount payable to any employee for any one week shall be upon the basis of eighty percent of the employee's weekly spendable earnings, but shall not exceed an amount, rounded to the nearest dollar, equal to two hundred percent of the statewide average weekly wage paid employees as determined by the department of workforce development under [section 96.1A, subsection 35](#), and in effect at the time of the injury. Total weekly compensation for any employee shall not exceed eighty percent per week of the employee's weekly spendable earnings. The minimum weekly

benefit amount shall be equal to the weekly benefit amount of a person whose gross weekly earnings are thirty-five percent of the statewide average weekly wage, or to the spendable weekly earnings of the employee, whichever are less.

2. Such compensation shall be in addition to the benefits provided by [sections 85.27 and 85.28](#).

[S13, §2477-m9; C24, 27, 31, 35, 39, §1390; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.37; [82 Acts, ch 1161, §14](#)]

[87 Acts, ch 111, §4](#); [96 Acts, ch 1186, §23](#); [2018 Acts, ch 1041, §127](#); [2019 Acts, ch 59, §35](#); [2020 Acts, ch 1062, §80](#); [2021 Acts, ch 80, §35](#)

Referred to in [§85.33](#), [85.34](#)

85.38 Reduction of obligations of employer.

1. *Contributions or donations.* The compensation provided in [this chapter](#) shall be the measure of liability which the employer has assumed for injuries or death that may occur to employees in the employer's employment subject to the provisions of [this chapter](#), and it shall not be in anywise reduced by contribution from employees or donations from any source.

2. *Benefits paid under group plans.*

a. In the event the employee with a disability shall receive any benefits, including medical, surgical, or hospital benefits, under any group plan covering nonoccupational disabilities contributed to wholly or partially by the employer, which benefits should not have been paid or payable if any rights of recovery existed under [this chapter](#), [chapter 85A](#), or [chapter 85B](#), then the amounts so paid to the employee from the group plan shall be credited to or against any compensation payments, including medical, surgical, or hospital, made or to be made under [this chapter](#), [chapter 85A](#), or [chapter 85B](#). The amounts so credited shall be deducted from the payments made under these chapters. Any nonoccupational plan shall be reimbursed in the amount deducted. [This section](#) shall not apply to payments made under any group plan which would have been payable even though there was an injury under [this chapter](#) or an occupational disease under [chapter 85A](#) or an occupational hearing loss under [chapter 85B](#). Any employer receiving such credit shall keep the employee safe and harmless from any and all claims or liabilities that may be made against them by reason of having received the payments only to the extent of the credit.

b. If an employer denies liability under [this chapter](#), [chapter 85A](#), or [chapter 85B](#), for payment for any medical services received or weekly compensation requested by an employee, and the employee is a beneficiary under either an individual or group plan for nonoccupational illness, injury, or disability, the nonoccupational plan shall not deny payment for the medical services received or for benefits under the plan on the basis that the employer's liability under [this chapter](#), [chapter 85A](#), or [chapter 85B](#) is unresolved.

3. *Supplementation of workers' compensation benefits.* A public employer shall not supplement an employee's workers' compensation benefits by reducing the employee's sick leave, vacation leave, or earned compensatory time entitlements, unless the employer first notifies the employee of the employee's option to supplement and the employee elects to so supplement.

4. *Lien for hospital and medical services under chapter 249A.* In the event any hospital or medical services as provided in [section 85.27](#) are paid by the department of health and human services on behalf of an employee who is entitled to such benefits under the provisions of [this chapter](#) or [chapter 85A](#) or [85B](#), a lien shall exist as respects the right of such employee to benefits as described in [section 85.27](#).

[S13, §2477-m12; C24, 27, 31, 35, 39, §1398; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.38]

[83 Acts, ch 96, §160](#); [83 Acts, ch 153, §1](#); [84 Acts, ch 1086, §1](#); [96 Acts, ch 1129, §18](#); [97 Acts, ch 36, §1](#); [2002 Acts, ch 1050, §14](#); [2005 Acts, ch 168, §11, 23](#); [2009 Acts, ch 41, §263](#); [2023 Acts, ch 19, §52](#); [2023 Acts, ch 66, §14](#)

Referred to in [§85.27](#)

Subsections 1 and 4 amended

85.39 Examination of injured employees.

1. After an injury, the employee, if requested by the employer, shall submit for

examination at some reasonable time and place and as often as reasonably requested, to a physician or physicians authorized to practice under the laws of this state or another state, without cost to the employee; but if the employee requests, the employee, at the employee's own cost, is entitled to have a physician or physicians of the employee's own selection present to participate in the examination. If an employee is required to leave work for which the employee is being paid wages to attend the requested examination, the employee shall be compensated at the employee's regular rate for the time the employee is required to leave work, and the employee shall be furnished transportation to and from the place of examination, or the employer may elect to pay the employee the reasonable cost of the transportation. The refusal of the employee to submit to the examination shall forfeit the employee's right to any compensation for the period of the refusal. Compensation shall not be payable for the period of refusal.

2. If an evaluation of permanent disability has been made by a physician retained by the employer and the employee believes this evaluation to be too low, the employee shall, upon application to the commissioner and upon delivery of a copy of the application to the employer and its insurance carrier, be reimbursed by the employer the reasonable fee for a subsequent examination by a physician of the employee's own choice, and reasonably necessary transportation expenses incurred for the examination. The physician chosen by the employee has the right to confer with and obtain from the employer-retained physician sufficient history of the injury to make a proper examination. An employer is only liable to reimburse an employee for the cost of an examination conducted pursuant to [this subsection](#) if the injury for which the employee is being examined is determined to be compensable under [this chapter](#) or chapter [85A](#) or [85B](#). An employer is not liable for the cost of such an examination if the injury for which the employee is being examined is determined not to be a compensable injury. A determination of the reasonableness of a fee for an examination made pursuant to [this subsection](#), shall be based on the typical fee charged by a medical provider to perform an impairment rating in the local area where the examination is conducted.

[S13, §2477-m11; C24, 27, 31, 35, 39, §1399; C46, 50, 54, 58, 62, §85.39; C66, 71, 73, 75, §85.34(2), 85.39; C77, 79, 81, §85.39; [82 Acts, ch 1161, §15](#)]

[2017 Acts, ch 23, §15, 24](#)

85.40 Statement of earnings.

The employer shall furnish, upon request of an injured employee or dependent or any legal representative acting for such person, a statement of the earnings, wages, or salary and other matters relating thereto during the year or part of the year that such employee was in the employment of such employer for the year preceding the injury; but not more than one report shall be required on account of any one injury.

[C24, 27, 31, 35, 39, §1400; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.40]

85.41 Refusal to furnish statement.

On failure of the employer to furnish such statement of earnings for thirty days after receiving written request therefor from an injured employee, the employee's agent, attorney, dependent, or legal representative, such employer shall be guilty of a simple misdemeanor.

[C24, 27, 31, 35, 39, §1401; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.41]

85.42 Conclusively presumed dependent.

The following shall be conclusively presumed to be wholly dependent upon the deceased employee:

1. The surviving spouse, with the following exceptions:

a. When it is shown that at the time of the injury the surviving spouse had willfully deserted the deceased without fault of the deceased, then the surviving spouse shall not be considered as dependent in any degree.

b. When the surviving spouse was not married to the deceased at the time of the injury.

2. A child or children under eighteen years of age, and over said age if physically or mentally incapacitated from earning, whether actually dependent for support or not upon the parent at the time of the parent's death. An adopted child or children shall be regarded the

same as issue of the body. The terms “child” or “children”, as used in [this subsection](#), shall also include any child or children conceived but not born at the time of the employee’s injury, and any compensation payable on account of any such child or children shall be paid from the date of their birth. A stepchild or stepchildren shall be regarded the same as issue of the body only when the stepparent has actually provided the principal support for such child or children.

[S13, §2477-m16; C24, 27, 31, 35, 39, §1402; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.42]

[2020 Acts, ch 1062, §21](#); [2020 Acts, ch 1063, §43](#); [2023 Acts, ch 66, §15](#)

Referred to in [§85.43](#)
Subsection 2 amended

85.43 Payment to spouse.

1. If the deceased employee leaves a surviving spouse qualified under the provisions of [section 85.42](#), the full compensation shall be paid to the surviving spouse, as provided in [section 85.31](#); provided that where a deceased employee leaves a surviving spouse and a dependent child or children the workers’ compensation commissioner may make an order of record for an equitable apportionment of the compensation payments.

2. If the spouse dies, the benefits shall be paid to the person or persons wholly dependent on deceased, if any, share and share alike. If there are none wholly dependent, then such benefits shall be paid to partial dependents, if any, in proportion to their dependency for the periods provided in [section 85.31](#).

3. If the deceased leaves a dependent child or children who was or were such at the time of the injury, and the surviving spouse remarries, then and in such case, the payments shall be paid to the proper compensation trustee for the use and benefit of such dependent child or children for the period provided in [section 85.31](#).

[S13, §2477-m16; C24, 27, 31, 35, 39, §1403; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.43]

[98 Acts, ch 1061, §11](#); [2017 Acts, ch 54, §76](#); [2018 Acts, ch 1041, §29](#)

85.44 Payment to actual dependents.

In all other cases, a dependent shall be one actually dependent or mentally or physically incapacitated from earning. Such status shall be determined in accordance with the facts as of the date of the injury. In such cases if there is more than one person, the compensation benefit shall be equally divided among them. If there is no one wholly dependent and more than one person partially dependent, the compensation benefit shall be divided among them in the proportion each dependency bears to their aggregate dependency.

[S13, §2477-m16; C24, 27, 31, 35, 39, §1404; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.44]

Referred to in [§85.31](#)

85.45 Commutation.

1. Future payments of compensation may be commuted to a present worth lump sum payment only upon application of a party to the commissioner and upon written consent of all parties to the proposed commutation or partial commutation, and on the following conditions:

a. When the period during which compensation is payable can be definitely determined.

b. When it shall be shown to the satisfaction of the workers’ compensation commissioner that such commutation will be for the best interest of the person or persons entitled to the compensation, or that periodical payments as compared with a lump sum payment will entail undue expense, hardship, or inconvenience upon the employer liable therefor.

c. When the recipient of commuted benefits is a minor employee, the workers’ compensation commissioner may order that such benefits be paid to a trustee as provided in [section 85.49](#).

d. When a person seeking a commutation is a surviving spouse, an employee with a permanent and total disability, or a dependent who is entitled to benefits as provided in [section 85.31, subsection 1](#), paragraph “a”, subparagraphs (3) and (4), the future payments which may be commuted shall not exceed the number of weeks which shall be indicated

by probability tables designated by the workers' compensation commissioner for death and remarriage, subject to the provisions of [chapter 17A](#).

2. Future payments of compensation shall not be commuted to a present worth lump sum payment when the employee is an inmate as set forth in [section 85.59](#).

3. The parties to any commutation or partial commutation of future payments agreed to and ordered pursuant to [this section](#) may agree that the employee has the right to benefits pursuant to [section 85.27](#) under such terms and conditions as agreed to by the parties, for a specified period of time after the commutation or partial commutation agreement has been ordered by the workers' compensation commissioner. During that specified period of time, the commissioner shall have jurisdiction of the commutation or partial commutation agreement for the purpose of adjudicating the employee's entitlement to benefits provided for in [section 85.27](#) as provided in the agreement.

4. When commuting future payments pursuant to [this section](#), if the claim for workers' compensation benefits was related to an injury that resulted in the injured worker needing a medically necessary permanent prosthetic device or an alteration of an existing medically necessary permanent prosthetic device, a portion of the lump sum payment must be designated for the purpose of covering the estimated cost of repair or replacement of the permanent prosthetic device. Moneys identified pursuant to [this subsection](#) shall be paid to the treasurer of state as custodian of the second injury fund for administration pursuant to [section 85.65](#), [subsection 2](#), [section 85.66](#), and [section 85.67A](#).

[S13, §2477-m14; C24, 27, 31, 35, 39, §1405; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.45]

[96 Acts, ch 1129, §19](#); [98 Acts, ch 1061, §11](#); [2008 Acts, ch 1032, §171](#); [2017 Acts, ch 23, §16, 17, 24](#); [2022 Acts, ch 1128, §4](#)

Referred to in [§85.65](#), [87.11](#), [515B.5](#)

85.46 Reserved.

85.47 Basis of commutation.

When the commutation is ordered, the workers' compensation commissioner shall fix the lump sum to be paid at an amount which will equal the total sum of the probable future payments capitalized at their present value and upon the basis of interest at the rate provided in [section 535.3](#) for court judgments and decrees. Upon the payment of such amount, the employer shall be discharged from all further liability on account of the injury or death, and be entitled to a duly executed release. Upon the filing of the release, the liability of the employer under any agreement, award, finding, or judgment shall be discharged of record.

[S13, §2477-m14; C24, 27, 31, 35, 39, §1407; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.47; [82 Acts, ch 1161, §16](#)]

[98 Acts, ch 1061, §11](#); [2018 Acts, ch 1026, §30](#)

85.48 Partial commutation.

1. When partial commutation is ordered, the workers' compensation commissioner shall fix the lump sum to be paid at an amount which will equal the future payments for the period commuted, capitalized at their present value upon the basis of interest at the rate provided in [section 535.3](#) for court judgments and decrees. Provisions shall be made for the payment of weekly compensation not included in the commutation with all remaining payments to be paid over the same period of time as though the commutation had not been made by either eliminating weekly payments from the first or last part of the payment period or by a pro rata reduction in the weekly benefit amount over the entire payment period.

2. When commuting future payments pursuant to [this section](#), if the claim for workers' compensation benefits was related to an injury that resulted in the injured worker needing a medically necessary permanent prosthetic device or an alteration of an existing medically necessary permanent prosthetic device, a portion of the lump sum payment must be designated for the purposes of covering the estimated cost of repair or replacement of the permanent prosthetic device. Moneys identified pursuant to [this subsection](#) shall be paid to

the treasurer of state as custodian of the second injury fund for administration pursuant to [section 85.65, subsection 2, section 85.66, and section 85.67A](#).

[S13, §2477-m15; C24, 27, 31, 35, 39, §1408; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.48; [82 Acts, ch 1161, §17](#)]

[98 Acts, ch 1061, §11](#); [2003 Acts, ch 140, §2](#); [2022 Acts, ch 1128, §5](#)

Referred to in [§85.65](#)

85.49 Trustees for minors and dependents.

1. When a minor or a dependent who is mentally incompetent is entitled to weekly benefits under [this chapter](#) or [chapter 85A](#) or [85B](#), payment shall be made to the parent, guardian, or conservator, who shall act as trustee, and the money coming into the trustee's hands shall be expended for the use and benefit of the person entitled to it under the direction and orders of a district judge. The trustee shall qualify and give bond in an amount as the district judge directs, which may be increased or diminished from time to time.

2. If the domicile or residence of the minor or dependent who is mentally incompetent is outside the state of Iowa, the workers' compensation commissioner may order and direct that benefits to the minor or dependent be paid to a guardian, conservator, or legal representative duly qualified under the laws of the jurisdiction wherein the minor or dependent shall be domiciled or reside. Proof of the identity and qualification of the guardian, conservator, or other legal representative shall be furnished to the workers' compensation commissioner.

[S13, §2477-m13; C24, 27, 31, 35, 39, §1409; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.49]

[83 Acts, ch 186, §10039, 10201](#); [93 Acts, ch 70, §5](#); [96 Acts, ch 1129, §20](#); [98 Acts, ch 1061, §11](#); [2018 Acts, ch 1041, §30](#)

Referred to in [§85.45](#)

85.50 Report of trustee.

The trustee shall, on or before September 30 of each year, make reports, at such times as designated by the court, to the court of all money or property received or expended for the person for whom the parent, guardian, or conservator is acting as trustee.

[S13, §2477-m13; C24, 27, 31, 35, 39, §1410; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.50]

[83 Acts, ch 186, §10040, 10201](#); [93 Acts, ch 70, §6](#)

85.51 Alien dependents in foreign country.

In case a deceased employee for whose injury or death compensation is payable leaves surviving an alien dependent or dependents residing outside the United States, the consul general, consul, vice consul, or consular agent of the nation of which the said dependent or dependents are citizens, or the duly appointed representative of such consular official resident in the state of Iowa, shall be regarded as the exclusive representative of such dependent or dependents, and said consular officials or their representatives shall have the same rights and powers in all matters of compensation which said nonresident aliens would have if resident in the state of Iowa.

[C24, 27, 31, 35, 39, §1411; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.51]

85.52 Consular officer as trustee.

Such consular officer or the officer's duly appointed representative resident in the state of Iowa shall file in the district court of the county in which the accident occurred resulting in the death of said employee evidence of the officer's or representative's authority, and thereupon the court shall appoint the officer or representative a trustee for such nonresident alien dependents, and thereafter the officer or representative shall be subject to the jurisdiction of said court until the final report of distribution and payment has been filed and approved. Such consular official or said representative shall qualify as such trustee by giving bond with approved sureties in a sum to be fixed by said court, and the amount of said bond may be increased or decreased from time to time as said court may direct.

[C24, 27, 31, 35, 39, §1412; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.52]

85.53 Notice to consular officer.

If such consular officer, or the officer's duly appointed representative, shall file with the workers' compensation commissioner evidence of the officer's or representative's authority, the workers' compensation commissioner shall notify such consular officer or representative of the death of all employees leaving an alien dependent or dependents residing in the country of said consular officer that shall come to the commissioner's knowledge.

[C24, 27, 31, 35, 39, §1413; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.53]
 98 Acts, ch 1061, §11; 2018 Acts, ch 1026, §31

85.54 Contracts to avoid compensation.

Any contract of employment, relief benefit, or insurance, or other device whereby the employee is required to pay any premium or premiums for insurance against the compensation provided for in [this chapter](#), shall be null and void; and any employer withholding from the wages of any employee any amount for the purpose of paying any such premium shall be guilty of a simple misdemeanor.

[S13, §2477-m17; C24, 27, 31, 35, 39, §1414; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.54]

85.55 Franchisor-franchisee relationship.

1. For purposes of [this section](#), “*franchisee*” and “*franchisor*” mean the same as defined in [section 523H.1](#).

2. For purposes of [chapter 10A, subchapter III, this chapter](#), and [chapter 87](#), a franchisor shall not be considered to be an employer of a franchisee or of an employee of a franchisee unless any of the following conditions apply:

a. The franchisor has agreed in writing to be considered to be the employer of the franchisee or of the employees of the franchisee.

b. The franchisor has been found by the workers' compensation commissioner to have exercised a type or degree of control over the franchisee or the franchisee's employees that is not customarily exercised by a franchisor for the purpose of protecting the franchisor's trademarks and brand.

2019 Acts, ch 21, §1, 6; 2021 Acts, ch 76, §18; 2023 Acts, ch 19, §1746

Section applies to work performed on or after July 1, 2019; 2019 Acts, ch 21, §6
 Subsection 2, unnumbered paragraph 1 amended

85.56 Employees in interstate commerce.

So far as permitted, or not forbidden, by any Act of Congress, employers engaged in interstate or foreign commerce and their employees working only in this state shall be bound by the provisions of [this chapter](#) in like manner and with the same force and effect in every respect as by [this chapter](#) provided for other employers and employees.

[S13, §2477-m21; C24, 27, 31, 35, 39, §1417; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §85.57; C79, 81, §85.56]

85.57 and 85.58 Reserved.

85.59 Benefits for inmates and offenders.

1. For the purposes of [this section](#):

a. “*Inmate*” includes:

(1) A person confined in a reformatory, state penitentiary, release center, or other state penal or correctional institution while that person works in connection with the maintenance of the institution, in an industry maintained in the institution, or in an industry referred to in [section 904.809](#), or while on detail to perform services on a public works project.

(2) A person who is performing unpaid community service under the direction of the district court, board of parole, or judicial district department of correctional services, or an inmate providing services pursuant to a [chapter 28E](#) agreement entered into pursuant to [section 904.703](#), or who is performing a work assignment of value to the state or to the public under [chapter 232](#).

b. "Unpaid community service under the direction of the district court" includes but is not limited to community service ordered and performed pursuant to [section 598.23A](#).

2. For purposes of [this section](#), an inmate on a work assignment under [section 904.703](#) working in construction or maintenance at a public or charitable facility, or under assignment to another agency of state, county, or local government, shall be considered an employee of the state.

3. a. If an inmate is permanently incapacitated by injury in the performance of the inmate's work in connection with the maintenance of the institution, in an industry maintained in the institution, or in an industry referred to in [section 904.809](#), while on detail to perform services on a public works project, or while performing services authorized pursuant to [section 904.809](#), or is permanently or temporarily incapacitated in connection with the performance of unpaid community service under the direction of the district court, board of parole, or judicial district department of correctional services, or in connection with the provision of services pursuant to a [chapter 28E](#) agreement entered into pursuant to [section 904.703](#), or who is performing a work assignment of value to the state or to the public under [chapter 232](#), that inmate shall be awarded only the benefits provided in [section 85.27](#) and [section 85.34, subsections 2 and 3](#). The weekly rate for such permanent disability is equal to the minimum rate as provided in [this chapter](#).

b. Weekly compensation benefits under [this section](#) may be determined prior to the inmate's release from the institution, but payment of benefits to an inmate shall commence as of the time of the inmate's release from the institution either upon parole or final discharge. However, if the inmate is awarded benefits for an injury incurred in connection with the performance of unpaid community service under the direction of the district court, board of parole, or judicial district department of correctional services, or in connection with the provision of services pursuant to a [chapter 28E](#) agreement entered into pursuant to [section 904.703](#), or who is performing a work assignment of value to the state or to the public under [chapter 232](#), weekly compensation benefits under [this section](#) shall be determined and paid as in other workers' compensation cases.

c. If an inmate is receiving benefits under the provisions of [this section](#) and is recommitted to an institution covered by [this section](#), the benefits shall immediately cease. If benefits cease because of the inmate's recommitment, the benefits shall resume upon subsequent release from the institution.

d. If death results from the injury, death benefits shall be awarded and paid to the dependents of the inmate as in other workers' compensation cases except that the weekly rate shall be equal to sixty-six and two-thirds percent of the state average weekly wage paid employees as determined by the department of workforce development under [section 96.1A, subsection 35](#), and in effect at the time of the injury.

4. Payment under [this section](#) shall be made promptly out of appropriations which have been made for that purpose, if any. An amount or part thereof which cannot be paid promptly from the appropriation shall be paid promptly out of moneys in the state treasury not otherwise appropriated.

5. The time limit for commencing an original proceeding to determine entitlement to benefits under [this section](#) is the same as set forth in [section 85.26](#). If an injury occurs to an inmate so as to qualify the inmate for benefits under [this section](#), notwithstanding the fact that payments of weekly benefits are not commenced, an acknowledgment of compensability shall be filed with the workers' compensation commissioner within thirty days of the time the responsible authority receives notice or knowledge of the injury as required by [section 85.23](#).

6. If a dispute arises as to the extent of disability when an acknowledgment of compensability is on file or when an award determining liability has been made, an action to determine the extent of disability must be commenced within one year of the time of the release of the inmate from the institution. This does not bar the right to reopen the claim as provided by [section 85.26, subsection 2](#).

7. Responsibility for the filings required by [chapter 10A, subchapter III](#), for injuries

resulting in permanent disability or death and as modified by [this section](#) shall be made in the same manner as for other employees of the institution.

[C79, 81, §85.59]

[83 Acts, ch 101, §4](#); [84 Acts, ch 1280, §1](#); [85 Acts, ch 67, §11](#); [85 Acts, ch 177, §1](#); [87 Acts, ch 111, §5, 6](#); [88 Acts, ch 1165, §1](#); [90 Acts, ch 1251, §3](#); [93 Acts, ch 46, §1](#); [94 Acts, ch 1171, §1](#); [96 Acts, ch 1186, §23](#); [98 Acts, ch 1061, §11](#); [2008 Acts, ch 1079, §2](#); [2009 Acts, ch 133, §21](#); [2019 Acts, ch 24, §104](#); [2020 Acts, ch 1062, §81](#); [2023 Acts, ch 19, §1747](#)

Referred to in [§85.36](#), [85.45](#), [85.61](#), [88.3](#), [232.13](#), [669.14](#), [904.809](#), [907.13](#)

Additional persons deemed state employees, see [§232.13](#)

Subsection 7 amended

85.60 Injuries while in work-based learning opportunity, employment training, or evaluation.

A person participating in a work-based learning opportunity referred to in [section 85.61](#), or receiving earnings while engaged in employment training or while undergoing an employment evaluation under the direction of a rehabilitation facility approved for purchase-of-service contracts or for referrals by the department of health and human services or the department of education, who sustains an injury arising out of and in the course of the work-based learning opportunity participation, employment training, or employment evaluation is entitled to benefits as provided in [chapter 10A, subchapter III, this chapter, chapter 85A](#), and [chapter 85B](#). Notwithstanding the minimum benefit provisions of [this chapter](#), a person referred to in [this section](#) and entitled to benefits under [this chapter](#) is entitled to receive a minimum weekly benefit amount for a permanent partial disability under [section 85.34, subsection 2](#), or for a permanent total disability under [section 85.34, subsection 3](#), equal to the weekly benefit amount of a person whose gross weekly earnings are thirty-five percent of the statewide average weekly wage computed pursuant to [section 96.3](#) and in effect at the time of the injury.

[86 Acts, ch 1104, §1](#); [97 Acts, ch 37, §2](#); [2016 Acts, ch 1108, §14](#); [2023 Acts, ch 19, §53, 1748](#)

Referred to in [§85.61](#)

See Code editor's note on simple harmonization at the beginning of this Code volume

Section amended

85.61 Definitions.

In [chapter 10A, subchapter III, this chapter](#), and [chapter 87](#), unless the context otherwise requires, the following definitions of terms shall prevail:

1. "Alteration" means a material change to a permanent prosthetic device that is necessary due to an employee's injury, without which would not allow the injured employee use of the prosthetic device as effectively as prior to the injury.

2. The word "court" means the district court.

3. "Employer" includes and applies to the following:

a. A person, firm, association, or corporation, state, county, municipal corporation, school corporation, area education agency, township as an employer of volunteer fire fighters and emergency medical care providers only, benefited fire district, and the legal representatives of a deceased employer.

b. A rehabilitation facility approved for purchase-of-service contracts or for referrals by the department of health and human services or the department of education.

c. An eligible postsecondary institution as defined in [section 261E.2](#), a school district, or an accredited nonpublic school if a student enrolled in the eligible postsecondary institution, school district, or accredited nonpublic school is providing unpaid services under a work-based learning opportunity offered in accordance with [section 84A.16](#). However, if the student participating in a work-based learning opportunity is participating in open enrollment under [section 282.18](#), "employer" means the receiving district.

4. "Gross earnings" means recurring payments by the employer to the employee for employment, before any authorized or lawfully required deduction or withholding of funds by the employer, excluding irregular bonuses, retroactive pay, overtime, penalty pay, reimbursement of expenses, expense allowances, and the employer's contribution for welfare benefits.

5. The words "injury" or "personal injury" shall be construed as follows:

- a. They shall include death resulting from personal injury.
- b. They shall not include a disease unless it shall result from the injury and they shall not include an occupational disease as defined in [section 85A.8](#).
6. "Pay period" means that period of employment for which the employer customarily or regularly makes payments to employees for work performed or services rendered.
7. "Payroll taxes" means an amount, determined by tables adopted by the workers' compensation commissioner pursuant to [chapter 17A](#), equal to the sum of the following:
 - a. An amount equal to the amount which would be withheld pursuant to withholding tables in effect on July 1 preceding the injury under the Internal Revenue Code, and regulations pursuant thereto, as amended, as though the employee had elected to claim the maximum number of exemptions for actual dependency, blindness, and old age to which the employee is entitled on the date on which the employee was injured.
 - b. An amount equal to the amount which would be withheld pursuant to withholding tables in effect on July 1 preceding the injury under [chapter 422](#), and any rules pursuant thereto, as though the employee had elected to claim the maximum number of exemptions for actual dependency, blindness, and old age to which the employee is entitled on the date on which the employee was injured.
 - c. An amount equal to the amount required on July 1 preceding the injury by the Social Security Act of 1935 as amended, to be deducted or withheld from the amount of earnings of the employee at the time of the injury as if the earnings were earned at the beginning of the calendar year in which the employee was injured.
8. The words "*personal injury arising out of and in the course of the employment*" shall include injuries to employees whose services are being performed on, in, or about the premises which are occupied, used, or controlled by the employer, and also injuries to those who are engaged elsewhere in places where their employer's business requires their presence and subjects them to dangers incident to the business.
 - a. Personal injuries sustained by a volunteer fire fighter arise in the course of employment if the injuries are sustained at any time from the time the volunteer fire fighter is summoned to duty as a volunteer fire fighter until the time the volunteer fire fighter is discharged from duty by the chief of the volunteer fire department or the chief's designee.
 - b. Personal injuries sustained by emergency medical care providers as defined in [section 147A.1](#) arise in the course of employment if the injuries are sustained at any time from the time the emergency medical care providers are summoned to duty until the time those duties have been fully discharged.
 - c. Personal injuries due to idiopathic or unexplained falls from a level surface onto the same level surface do not arise out of and in the course of employment and are not compensable under [this chapter](#).
9. The words "*reserve peace officer*" shall mean a person defined as such by [section 80D.1, subsection 1](#), who is not a full-time member of a paid law enforcement agency. A person performing such services shall not be classified as a casual employee.
10. "*Spendable weekly earnings*" is that amount remaining after payroll taxes are deducted from gross weekly earnings.
11. "*Volunteer fire fighter*" means any active member of an organized volunteer fire department in this state and any other person performing services as a volunteer fire fighter for a municipality, township, or benefited fire district at the request of the chief or other person in command of the fire department of the municipality, township, or benefited fire district, or of any other officer of the municipality, township, or benefited fire district having authority to demand such service, and who is not a full-time member of a paid fire department. A person performing such services shall not be classified as a casual employee.
12. "*Worker*" or "*employee*" means a person who has entered into the employment of, or works under contract of service, express or implied, or apprenticeship, for an employer; an executive officer elected or appointed and empowered under and in accordance with the charter and bylaws of a corporation, including a person holding an official position, or standing in a representative capacity of the employer; an official elected or appointed by the state, or a county, school district, area education agency, municipal corporation, or city under any form of government; a member of the state patrol; a conservation officer; and a

proprietor, limited liability company member, limited liability partner, or partner who elects to be covered pursuant to [section 85.1A](#), except as specified in [this chapter](#).

a. “Worker” or “employee” includes the following:

(1) An inmate as defined in [section 85.59](#) and a person described in [section 85.60](#).

(2) An emergency medical care provider as defined in [section 147A.1](#), or a volunteer ambulance driver, only if an agreement is reached between such worker or employee and the employer for whom the volunteer services are provided that workers’ compensation coverage under [this chapter](#) and [chapters 85A](#) and [85B](#) is to be provided by the employer. An emergency medical care provider who is a worker or employee under this subparagraph is not a casual employee. “Volunteer ambulance driver” means a person performing services as a volunteer ambulance driver at the request of the person in charge of a fire department or ambulance service of a municipality.

(3) A real estate agent who does not provide the services of an independent contractor. For the purposes of this subparagraph, a real estate agent is an independent contractor if the real estate agent is licensed by the Iowa real estate commission as a salesperson and both of the following apply:

(a) Seventy-five percent or more of the remuneration, whether or not paid in cash, for the services performed by the individual as a real estate salesperson is derived from one company and is directly related to sales or other output, including the performance of services, rather than to the number of hours worked.

(b) The services performed by the individual are performed pursuant to a written contract between the individual and the person for whom the services are performed, and the contract provides that the individual will not be treated as an employee with respect to the services for state tax purposes.

(4) A student enrolled in a school district or accredited nonpublic school who is participating in a work-based learning opportunity offered in accordance with [section 84A.16](#).

(5) A student enrolled in a community college as defined in [section 260C.2](#), who is participating in a work-based learning opportunity offered in accordance with [section 84A.16](#) that is offered by the community college.

b. The term “worker” or “employee” shall include the singular and plural. Any reference to a worker or employee who has been injured shall, when such worker or employee is dead, include the worker’s or employee’s dependents as defined in [this chapter](#) or the worker’s or employee’s legal representatives; and where the worker or employee is a minor or incompetent, it shall include the minor’s or incompetent person’s guardian, next friend, or trustee. Notwithstanding any law prohibiting the employment of minors, all minor employees shall be entitled to the benefits of [chapter 10A](#), [subchapter III](#), [this chapter](#), and [chapter 87](#) regardless of the age of such minor employee.

c. The following persons shall not be deemed “workers” or “employees”:

(1) A person whose employment is purely casual and not for the purpose of the employer’s trade or business except as otherwise provided in [section 85.1](#).

(2) An independent contractor.

(3) (a) For purposes of this subparagraph, “owns” includes but is not limited to holding legal title to a vehicle or being a party to an agreement for the conditional sale or lease of the vehicle that includes the party’s right to purchase upon performance of conditions stated in the agreement with an immediate right of possession. In the event a mortgagor of a vehicle is entitled to possession of the vehicle, then the conditional vendee or lessee and the mortgagor shall both be deemed to own the vehicle.

(b) An owner-operator who, as an individual or partner, or shareholder of a corporate owner-operator, owns a vehicle licensed and registered as a truck, road tractor, or truck tractor by a governmental agency, is an independent contractor while performing services in the operation of the owner-operator’s vehicle if all of the following conditions are substantially present:

(i) The owner-operator is responsible for the maintenance of the vehicle.

(ii) The owner-operator bears the principal burden of the vehicle’s operating costs, including fuel, repairs, supplies, collision insurance, and personal expenses for the operator while on the road.

(iii) The owner-operator is responsible for supplying the necessary personnel to operate the vehicle, and the personnel are considered the owner-operator's employees.

(iv) The owner-operator's compensation is based on factors related to the work performed, including a percentage of any schedule of rates or lawfully published tariff, and not on the basis of the hours or time expended.

(v) The owner-operator determines the details and means of performing the services, in conformance with regulatory requirements, operating procedures of the carrier, and specifications of the shipper.

(vi) The owner-operator enters into a contract which specifies the relationship to be that of an independent contractor and not that of an employee.

(4) Directors of a corporation who are not at the same time employees of the corporation; or directors, trustees, officers, or other managing officials of a nonprofit corporation or association who are not at the same time full-time employees of the nonprofit corporation or association.

(5) Proprietors, limited liability company members, limited liability partners, and partners who have not elected to be covered by the workers' compensation law of this state pursuant to [section 85.1A](#).

[S13, §2477-m16; C24, 27, 31, 35, 39, §1421; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.61; [82 Acts, ch 1161, §18, 19, ch 1221, §2](#)]

[83 Acts, ch 36, §3, 7, 8](#); [85 Acts, ch 46, §1](#); [85 Acts, ch 195, §9](#); [86 Acts, ch 1074, §3, 4](#); [86 Acts, ch 1104, §2, 3](#); [87 Acts, ch 91, §2 – 5](#); [89 Acts, ch 89, §1 – 3](#); [89 Acts, ch 218, §1](#); [91 Acts, ch 209, §1](#); [93 Acts, ch 88, §1](#); [95 Acts, ch 41, §3 – 5](#); [96 Acts, ch 1059, §4, 5](#); [96 Acts, ch 1079, §4 – 6](#); [97 Acts, ch 37, §3, 4](#); [98 Acts, ch 1060, §1, 2](#); [98 Acts, ch 1061, §11](#); [98 Acts, ch 1074, §9](#); [2001 Acts, ch 87, §5, 6](#); [2005 Acts, ch 35, §31](#); [2007 Acts, ch 22, §21](#); [2008 Acts, ch 1031, §91](#); [2008 Acts, ch 1032, §9, 10](#); [2008 Acts, ch 1181, §43](#); [2010 Acts, ch 1149, §2 – 4](#); [2013 Acts, ch 48, §4](#); [2016 Acts, ch 1108, §15 – 17](#); [2018 Acts, ch 1041, §31](#); [2019 Acts, ch 38, §1](#); [2020 Acts, ch 1069, §1](#); [2021 Acts, ch 80, §36, 37](#); [2022 Acts, ch 1128, §6](#); [2023 Acts, ch 19, §54, 1749, 1750](#)

Referred to in [§85.20](#), [85.60](#), [87.1](#), [87.23](#), [91A.2](#), [91D.1](#), [96.1A](#), [100B.14](#), [100B.31](#), [100B.46](#), [622.71A](#)

Unnumbered paragraph 1 amended

Subsection 3, paragraph b amended

Subsection 12, paragraph b amended

85.62 Inmates of county jail.

The county board of supervisors of any county may elect to include as an employee for purposes of [this chapter](#) any person confined as an inmate in a county jail or confined in any other facility in lieu of confinement in a county jail. If such election is made, the provisions of [section 85.1](#), [subsection 6](#), shall apply to such county. If an inmate in the performance of the inmate's work in connection with the maintenance of a county jail or other local facility, or in connection with any industry maintained therein, or with any highway or public works activity outside a county jail or other local facility sustains an injury arising out of and in the course thereof, the inmate shall be awarded and paid compensation at the minimum rate as provided in [this chapter](#). If death results from such injury, death benefits shall be awarded and paid to the dependents of the inmate. If any such person is awarded weekly compensation under the provisions of [this section](#) and is still committed to the county jail or other facility, the inmate's compensation benefits under [section 85.33](#) or [section 85.34, subsection 1](#), shall be paid to the county for so long as the inmate shall remain so committed. Weekly compensation benefits awarded pursuant to [section 85.34, subsection 2](#), shall be held in trust and paid to such person as provided in [this chapter](#) upon final discharge or parole, whichever occurs first. In the event such person is recommitted to the county jail or other facility prior to receiving in full, the inmate's weekly benefits pursuant to [section 85.33](#) or [section 85.34, subsection 1](#), such benefits shall again be paid to the county for so long as the inmate shall remain so recommitted. Also, weekly benefits under [section 85.34, subsection 2](#), shall be suspended and again held in trust until such person is again released by final discharge or parole, whichever first occurs. However, the workers' compensation commissioner may, if the commissioner finds that dependents of the person awarded weekly compensation pursuant to [section 85.33](#) or [section 85.34, subsections 1 and 2](#), would require welfare aid as a result of terminating the

compensation, order such weekly compensation to be paid to a responsible person for the use of the inmate's dependents.

[C73, 75, 77, 79, 81, §85.62]
98 Acts, ch 1061, §11

SUBCHAPTER II SECOND INJURY COMPENSATION ACT

85.63 Title of Act.

[This subchapter](#) shall be known and referred to as the “*Second Injury Compensation Act*”.
[C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.63]
[2014 Acts, ch 1026, §143](#)
Referred to in [§10A.314](#)

85.64 Limitation of benefits.

1. If an employee who has previously lost, or lost the use of, one hand, one arm, one foot, one leg, or one eye, becomes permanently disabled by a compensable injury which has resulted in the loss of or loss of use of another such member or organ, the employer shall be liable only for the degree of disability which would have resulted from the latter injury if there had been no preexisting disability. In addition to such compensation, and after the expiration of the full period provided by law for the payments of compensation by the employer, the employee shall be paid out of the second injury fund created by [this subchapter](#) the remainder of such compensation as would be payable for the degree of permanent disability involved after first deducting from the remainder the compensable value of the previously lost member or organ.

2. Any benefits received by any such employee, or to which the employee may be entitled, by reason of such increased disability from any state or federal fund or agency, to which the employee has not directly contributed, shall be regarded as a credit to any award made against the second injury fund.

[C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.64]
[2014 Acts, ch 1026, §18](#); [2023 Acts, ch 66, §16](#)
Referred to in [§10A.314](#)
Section amended

85.65 Payments to second injury fund.

1. The employer, or, if insured, the insurance carrier in each case of compensable injury causing death, shall pay to the treasurer of state for the second injury fund the sum of twelve thousand dollars in a case where there are dependents and forty-five thousand dollars in a case where there are no dependents. The payment shall be made at the time compensation payments are begun, or at the time the burial expenses are paid in a case where there are no dependents. However, the payments shall be required only in cases of injury resulting in death coming within the purview of [this chapter](#) and occurring after July 1, 1978. These payments shall be in addition to any payments of compensation to injured employees or their dependents, or of burial expenses as provided in [this chapter](#).

2. a. The employer, or, if insured, the insurance carrier shall pay to the treasurer of state for the second injury fund the sum of moneys designated for the purpose of covering the estimated cost of repair or replacement of a permanent prosthetic device for an injured worker pursuant to [section 85.35](#), [85.45](#), or [85.48](#).

b. (1) Upon receipt of moneys pursuant to paragraph “a”, the treasurer of state shall credit the employee for the full amount received.

(2) Moneys received by the treasurer of state pursuant to this paragraph for a permanent prosthetic device that was not medically necessary prior to an injury shall be credited to the injured worker in a new account relating to that permanent prosthetic device.

(3) Moneys received by the treasurer of state pursuant to this paragraph for an existing permanent prosthetic device that requires alteration due to an injury shall be credited to

the employee's account relating to that prosthetic device if one exists, or credited to a new account if one is not in existence for that prosthetic device.

c. Moneys credited to an employee pursuant to [this subsection](#) may only be used for the purposes designated in [section 85.67A](#) and only in relation to the permanent prosthetic device for which the account was created.

[C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.65; [82 Acts, ch 1161, §20](#)]

[89 Acts, ch 33, §1](#); [98 Acts, ch 1113, §1, 7](#); [2022 Acts, ch 1128, §7](#)

Referred to in [§10A.314, 85.27, 85.35, 85.45, 85.48, 85.67A, 85.68](#)

85.65A Payments to second injury fund — surcharge on employers.

1. For purposes of [this section](#), unless the context otherwise requires:

a. “*Insured employers*” means employers who are commercially insured for purposes of workers' compensation coverage or who have been self-insured for less than twenty-four months as of the first day of the fiscal year in which a surcharge is imposed pursuant to [this section](#).

b. “*Self-insured employers*” means employers who have been self-insured for purposes of workers' compensation coverage for at least twenty-four months as of the first day of the fiscal year in which a surcharge is imposed pursuant to [this section](#).

2. Prior to July 1 of each fiscal year, the commissioner of insurance shall conduct an examination of the outstanding liabilities of the second injury fund and shall make a determination as to whether sufficient funds will be available in the second injury fund to pay the liabilities of the fund for each of the next two fiscal years. If the commissioner of insurance determines sufficient funds will be available, the commissioner shall not impose a surcharge on employers during the next succeeding fiscal year. If the commissioner determines sufficient funds will not be available, the commissioner shall impose by rule, pursuant to [chapter 17A](#), a surcharge on employers during the next succeeding fiscal year for payment to the treasurer of state for the second injury fund pursuant to the requirements of [this section](#).

3. If the commissioner of insurance determines that a surcharge on employers shall be imposed during any applicable fiscal year, the surcharge imposed shall comply with and be subject to all of the following requirements:

a. The surcharge shall apply to all workers' compensation insurance policies and self-insurance coverages of employers approved for self-insurance by the commissioner of insurance pursuant to [section 87.4](#) or [87.11](#), and to the state of Iowa, its departments, divisions, agencies, commissions, and boards, or any political subdivision coverages whether insured or self-insured. The surcharge shall not apply to any reinsurance or retrocessional transaction under [section 520.4](#) or [520.9](#).

b. In determining the surcharge for any applicable fiscal year, the commissioner of insurance shall provide that all insured and self-insured employers be assessed, in total, an amount the commissioner determines is sufficient, together with the moneys in the second injury fund, to meet the outstanding liabilities of the second injury fund.

c. The total assessment amount used in calculating the surcharge shall be allocated between self-insured employers and insured employers based on paid losses for the preceding calendar year. The portion of the total aggregate assessment that shall be collected from self-insured employers shall be equal to that proportion of total paid losses during the preceding calendar year, which the total compensation payments of all self-insured employers bore to the total compensation payments made by all self-insured employers and insurers on behalf of all insured employers during the preceding calendar year. The portion of the total aggregate assessment that is not to be collected from self-insured employers shall be collected from insured employers.

d. The method of assessing self-insured employers a surcharge shall be based on paid losses. The method of assessing insured employers a surcharge shall be by insurers collecting assessments from insured employers through a surcharge based on premium.

e. Assessments collected through imposition of a surcharge pursuant to [this section](#) shall not constitute an element of loss for the purpose of establishing rates for workers' compensation insurance but shall for the purpose of collection be treated as separate costs

by insurers. The surcharge is collectible by an insurer and nonpayment of the surcharge shall be treated as nonpayment of premium and the insurer shall retain all cancellation rights inuring to it for nonpayment of premium. An insurance carrier, its agent, or a third-party administrator shall not be entitled to any portion of the surcharge as a fee or commission for its collection. The surcharge is not subject to any taxes, licenses, or fees. The surcharge is not deemed to be an assessment or tax, but shall be deemed an additional benefit paid for injuries compensable under [this subchapter](#).

4. The commissioner of insurance shall adopt rules, pursuant to [chapter 17A](#), concerning the requirements of [this section](#).

[98 Acts, ch 1113, §2, 7; 2003 Acts, ch 140, §3, 6; 2008 Acts, ch 1137, §2, 3; 2014 Acts, ch 1026, §143; 2021 Acts, ch 80, §38](#)

Referred to in [§10A.314, 85.67](#)

85.66 Second injury fund — creation — custodian.

1. The second injury fund is hereby established under the custody of the treasurer of state and shall consist of payments to the fund as provided by [this subchapter](#) and any accumulated interest and earnings on moneys in the second injury fund.

2. The treasurer of state is charged with the conservation of the assets of the second injury fund. Moneys collected in the second injury fund shall be disbursed only for the purposes stated in [this subchapter](#), and shall not at any time be appropriated or diverted to any other use or purpose. Disbursements from the fund shall only be paid by the treasurer of state for reimbursements pursuant to [section 85.67](#), for payments pursuant to [section 85.67A](#), or upon the written order of the workers' compensation commissioner. The treasurer of state shall invest any surplus moneys of the fund in securities which constitute legal investments for state funds under the laws of this state, and may sell any of the securities in which the fund is invested, if necessary, for the proper administration or in the best interests of the fund.

3. The treasurer of state shall quarterly prepare a statement of the fund, setting forth the balance of moneys in the fund, the income of the fund, specifying the source of all income, the payments out of the fund, specifying the various items of payments, and setting forth the balance of the fund remaining to its credit. The statement shall be open to public inspection in the office of the treasurer of state.

[C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.66; [82 Acts, ch 1161, §21](#)]

[83 Acts, ch 105, §5; 90 Acts, ch 1071, §1; 98 Acts, ch 1061, §11; 98 Acts, ch 1113, §3, 7; 2004 Acts, ch 1175, §196, 202; 2007 Acts, ch 215, §84; 2009 Acts, ch 133, §22; 2014 Acts, ch 1026, §143; 2022 Acts, ch 1128, §8](#)

Referred to in [§10A.314, 10A.316, 85.35, 85.45, 85.48](#)

85.67 Administration of fund — special counsel — payment of award.

1. The attorney general shall appoint a staff member to represent the treasurer of state and the fund in all proceedings and matters arising under [this subchapter](#). The attorney general shall be reimbursed up to four hundred fifty thousand dollars annually from the fund for services provided related to the fund. The commissioner of insurance shall consider the reimbursement to the attorney general as an outstanding liability when making a determination of funding availability under [section 85.65A, subsection 2](#).

2. In making an award under [this subchapter](#), the workers' compensation commissioner shall specifically find the amount the injured employee shall be paid weekly, the number of weeks of compensation which shall be paid by the employer, the date upon which payments out of the fund shall begin, and, if possible, the length of time the payments shall continue.

[C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.67]

[83 Acts, ch 105, §6; 98 Acts, ch 1061, §11; 98 Acts, ch 1113, §4, 7; 2004 Acts, ch 1175, §197, 209; 2007 Acts, ch 215, §85; 2013 Acts, ch 139, §53; 2014 Acts, ch 1026, §143; 2021 Acts, ch 166, §22; 2022 Acts, ch 1032, §18](#)

Referred to in [§10A.314, 85.66](#)

85.67A Administration of fund — permanent prosthetic devices.

1. For the purposes of [this section](#):

a. "Prosthetic device" or "device" means a permanent prosthetic device for which an account has been established pursuant to [section 85.65, subsection 2](#).

b. "Prosthetics supplier" means a person or business who makes or repairs permanent prosthetic devices.

c. "Voucher" means a written statement that identifies all of the following:

(1) The prosthetic device requiring repair or replacement.

(2) Whether the device appears to require repair or replacement and the reason the device requires repair or replacement.

(3) The exact amount, including taxes, necessary to pay for the repair or replacement of the device.

2. The treasurer of state shall pay moneys from an account established pursuant to [section 85.65, subsection 2](#), to a prosthetics supplier for the replacement or repair of a prosthetic device upon the receipt of a voucher.

3. a. If an employee dies prior to receiving all moneys credited to the employee pursuant to [section 85.65, subsection 2](#), the treasurer of state shall pay the remaining moneys to the employer which originally contributed such moneys.

b. If an employer cannot be paid pursuant to paragraph "a", the treasurer of state shall pay remaining moneys to the insurer named in relation to the claim from which the credits arose.

c. If an employer or insurer cannot be paid pursuant to paragraphs "a" and "b", the treasurer of state shall pay remaining moneys to the employee's beneficiaries.

d. If the employee did not designate any beneficiaries, remaining moneys shall be paid to the employee's estate.

4. The labor commissioner and the commissioner of insurance may adopt rules pursuant to [chapter 17A](#) to implement [this section](#). Such rules may include guidelines for which prosthetics suppliers may provide a repair or replacement for a prosthetic device, the form a voucher must take, and information in addition to content described in [subsection 1](#), paragraph "c", that must appear on a voucher.

[2022 Acts, ch 1128, §9](#)

Referred to in [§10A.202](#), [10A.204](#), [10A.314](#), [85.35](#), [85.45](#), [85.48](#), [85.65](#), [85.66](#)

85.68 Actions — collection of payments — subrogation.

The labor commissioner shall be charged with the collection of contributions and payments to the second injury fund required to be made pursuant to [section 85.65](#). In addition, the labor commissioner, on behalf of the second injury fund created under [this subchapter](#), shall have a cause of action under [section 85.22](#) to the same extent as an employer against any person not in the same employment by reason of whose negligence or wrong the subsequent injury of the person with the previous disability was caused. The action shall be brought by the labor commissioner on behalf of the fund, and any recovery, less the necessary and reasonable expenses incurred by the labor commissioner, shall be paid to the treasurer of state and credited to the second injury fund.

[C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.68]

[83 Acts, ch 105, §7](#); [96 Acts, ch 1129, §21](#); [98 Acts, ch 1113, §5, 7](#); [2014 Acts, ch 1026, §143](#)

Referred to in [§10A.202](#), [10A.204](#), [10A.314](#)

85.69 Federal contributions.

The treasurer of state is hereby authorized to receive and credit to the second injury fund any sum or sums that may at any time be contributed to the state by the United States or any agency thereof, under any Act of Congress or otherwise, to which the state may be or become entitled by reason of any payments made to any person with a previous disability out of the fund.

[C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §85.69]

[96 Acts, ch 1129, §22](#)

Referred to in [§10A.314](#)

SUBCHAPTER III
VOCATIONAL REHABILITATION PROGRAM

85.70 Additional payment for attendance — rehabilitation and training — new career vocational training and education program.

1. An employee who has sustained an injury resulting in permanent partial or permanent total disability, for which compensation is payable under [this chapter](#) other than an injury to the shoulder compensable pursuant to [section 85.34, subsection 2](#), paragraph “n”, and who cannot return to gainful employment because of such disability, shall upon application to and approval by the workers’ compensation commissioner be entitled to a one hundred dollar weekly payment from the employer in addition to any other benefit payments, during each full week in which the employee is actively participating in a vocational rehabilitation program recognized by the vocational rehabilitation services division of the department of workforce development. The workers’ compensation commissioner’s approval of such application for payment may be given only after a careful evaluation of available facts, and after consultation with the employer or the employer’s representative. Judicial review of the decision of the workers’ compensation commissioner may be obtained in accordance with the terms of the Iowa administrative procedure Act, [chapter 17A](#), and in [section 10A.322](#). Such additional benefit payment shall be paid for a period not to exceed thirteen consecutive weeks except that the workers’ compensation commissioner may extend the period of payment not to exceed an additional thirteen weeks if the circumstances indicate that a continuation of training will in fact accomplish rehabilitation.

2. *a.* An employee who has sustained an injury to the shoulder resulting in permanent partial disability for which compensation is payable under [section 85.34, subsection 2](#), paragraph “n”, and who cannot return to gainful employment because of such disability, shall be evaluated by the department of workforce development regarding career opportunities in specific fields aligning with postsecondary career and technical education programs that provide instruction in the areas of agriculture, family and consumer sciences, health occupations, business, industrial technology, and marketing, that allow for accommodation of the employee’s disability and to determine if the employee would benefit from participation in the new career vocational training and education program offered through an area community college, that will allow the employee to return to the workforce.

b. Upon completion of the evaluation and a determination by the department that the employee is a candidate for the new career vocational training and education program, the employee shall be referred by the department to the community college that is in the closest proximity to the employee’s residence, or upon agreement of the department and the employee, to the community college that offers a vocational training and education program that best meets the employee’s needs, for enrollment in the new career vocational training and education program at the community college for the purpose of providing the employee with occupational training that will result in, at a minimum, the awarding of an associate degree or completion of a certificate program and will enable the employee to return to the workforce. If an employee does not enroll in the new career vocational training and education program at the community college to which the employee has been referred by the department within six months after the referral, the employee is no longer eligible to participate in the program.

c. The employee shall be entitled to financial support from the employer or the employer’s insurer for participation in the new career vocational training and education program in a total amount not to exceed fifteen thousand dollars to be used for the payment of tuition and fees and the purchase of required supplies. The community college in which an employee is enrolled pursuant to the program shall bill the employer or the employer’s insurer for the employee’s tuition and fees each semester, or the equivalent, that the employee is enrolled in the program. The employer or the employer’s insurer shall also pay for the purchase of supplies required by the employee to participate in the program, upon receipt of documentation from the employee detailing the cost of the supplies and the necessity for purchasing the supplies. Such documentation may include written course requirements or

other documentation from the community college or the course instructor regarding the necessity for the purchase of certain supplies.

d. The employer or the employer's insurer may request a periodic status report each semester from the community college documenting the employee's attendance and participation in and completion of the career vocational training and education program. If an employee does not meet the attendance requirements of the community college at which the employee is enrolled or does not maintain a passing grade in each course in which the employee is enrolled each semester, or the equivalent, the employee's eligibility for continued participation in the program is terminated.

e. The community college shall also provide the employer or the employer's insurer with documentation detailing that the receipt of funds by the community college pursuant to [this subsection](#) is for the payment of tuition and fees and the purchase of required supplies.

f. Beginning on or before December 1, 2018, the department of workforce development, in cooperation with the department of education, the workers' compensation division of the department of inspections, appeals, and licensing, the insurance division of the department of insurance and financial services, and all community colleges that are participating in the new career vocational training and education program, shall prepare an annual report for submission to the general assembly that provides information about the status of the program including but not limited to the utilization of and participants in the program, program completion rates, employment rates after completion of the program and the types of employment obtained by the program participants, and the effects of the program on workers' compensation premium rates.

[C71, 73, 75, 77, 79, 81, §85.70]

96 Acts, ch 1127, §1; 98 Acts, ch 1061, §11; 2003 Acts, ch 44, §114; 2004 Acts, 1st Ex, ch 1001, §13, 18; 2017 Acts, ch 23, §18; 2018 Acts, ch 1041, §32; 2023 Acts, ch 19, §1751, 2237, 2716

See Code editor's note on simple harmonization at the beginning of this Code volume
Subsection 1 amended
Subsection 2, paragraph f amended

SUBCHAPTER IV

EXTRATERRITORIAL INJURIES AND BENEFIT CLAIMS

85.71 Injury outside of state.

1. If an employee, while working outside the territorial limits of this state, suffers an injury on account of which the employee, or in the event of death, the employee's dependents, would have been entitled to the benefits provided by [this chapter](#) had such injury occurred within this state, such employee, or in the event of death resulting from such injury, the employee's dependents, shall be entitled to the benefits provided by [this chapter](#), if at the time of such injury any of the following is applicable:

a. The employer has a place of business in this state and the employee regularly works at or from that place of business.

b. The employee is working under a contract of hire made in this state and the employee regularly works in this state.

c. The employee is working under a contract of hire made in this state and sustains an injury for which no remedy is available under the workers' compensation laws of another state.

d. The employee is working under a contract of hire made in this state for employment outside the United States.

e. The employer has a place of business in Iowa, and the employee is working under a contract of hire which provides that the employee's workers' compensation claims be governed by Iowa law.

2. **This section** shall be construed to confer personal jurisdiction over an employee or employer to whom **this section** is applicable.

[C75, 77, 79, 81, §85.71]

97 Acts, ch 106, §1; 2005 Acts, ch 168, §12, 23; 2008 Acts, ch 1091, §1; 2009 Acts, ch 179, §109; 2017 Acts, ch 23, §19, 24

85.72 Claims for benefits made outside of state — restrictions — credit.

1. An employee, or an employee's dependents, shall not be entitled to benefits under **this chapter** if the employee or the employee's dependents have initiated a judicial proceeding or a contested case or other similar proceeding for the same injury, disability, or death pursuant to the laws of another state or country concerning workers' compensation, and the employee or the employee's dependents receive benefits following final resolution of the proceeding pursuant to a settlement, judgment, or award.

2. If an employee, or an employee's dependents, initiate a judicial proceeding or a contested case or other similar proceeding for benefits pursuant to the laws of another state or country concerning workers' compensation, any proceeding initiated by an employee, or an employee's dependents, for workers' compensation benefits under **this chapter** for the same injury, disability, or death shall be stayed, without prejudice, pending resolution of the out-of-state claim for benefits.

3. If benefits are paid under **this chapter** and were payable, at any time, for the same injury, disability, or death pursuant to the laws of another state or country concerning workers' compensation, the employer shall have a credit toward the benefits payable under **this chapter** for any benefits paid in another state or country. Benefits paid in another state or country constitute weekly compensation benefits for the purposes of **sections 10A.315 and 85.26**.

97 Acts, ch 106, §2; 2008 Acts, ch 1091, §2

Section not amended; internal reference change applied