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California Impairment-to-Disability Ratings Using the AMA Guides 5th Edition

For Injury Dates Between 01-01-2005 and 12-31-2012

In 2005, LC § 4660(b)(1) adopted the 5th Edition of the AMA Guides as the sole reference for determining physical impairments and their corresponding percentages of impairments. It is mandatory to use this edition to determine disability in California.

Determining a California Permanent Disability starts with an AMA Guides 5th Edition Impairment Rating. The Impairment rating is then adjusted using The California Schedule for Rating Permanent Disabilities (PDRS) modifiers, which include diminished earning capacity, occupation, and age.

It is essential to note that only the 5th Edition of the AMA Guides will be used in California to determine an impairment rating. The result of the adjustments indicates the level of permanent disability of an injured employee.

For Injury Dates After 01-01-2013

In 2013, LC Section § 4660.1 was introduced to determine the percentages of permanent partial or permanent total disability. The following guidelines should be followed:

(a) The nature of the physical injury or disfigurement, the occupation of the injured employee, and their age at the time of injury should be considered when determining percentages of permanent partial or permanent total disability.

(b) The nature of the physical injury or disfigurement should incorporate descriptions and measurements of physical impairments and the corresponding percentages of impairments published in the American Medical Association (AMA) Guides to the Evaluation of Permanent Impairment (5th Edition). The employee's whole-person impairment, as provided in the Guides, should be multiplied by an adjustment factor of 1.4 (40%).

(c) Sleep dysfunction, sexual dysfunction, psychiatric disorder, or any combination thereof arising out of a compensable physical injury should not result in increases in impairment ratings except in the case of a finding of permanent total disability per Section 4662. However, treatment for these conditions is not limited if any of these conditions result from an industrial injury.

(2)(A)(B) If a compensable psychiatric injury is a result of being a victim of a violent act or direct exposure to a significant violent act or a catastrophic injury, such as loss of a limb, paralysis, severe burn, or severe head injury, an increased impairment rating for a psychiatric disorder is not subject to the above limitation.

(d) Until the new schedule (of permanent disability) of age and occupational modifiers is implemented, permanent disabilities **should be rated using the age and occupational modifiers in the current permanent disability rating schedule** adopted as of January 1, 2005.

(e) The schedule of age and occupational modifiers should promote consistency, uniformity, and objectivity.

(f) The schedule of age and occupational modifiers and any amendment thereto or revision thereof should apply prospectively. It should apply to and govern only those permanent disabilities that result from compensable injuries received or occurring on and after the effective date of the adoption of the schedule, amendment, or revision.

(g) Nothing in this section should preclude a finding of permanent total disability following Section 4662.

(h) *In enacting the act and adding this section, the Legislature did not intend to overrule the holding in Milpitas Unified School District v. Workers' Comp Appeals Bd. (Guzman) 2010 187 Cal. App. 4th 808.* (Also known as Guzman-3.)

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Fully described & calculated Impairment ratings allow anyone to check with the guide criteria and determine if the proper estimate of impairment has been provided for the injured worker.

- Ratings are reviewed not only by other physicians but also by non-medical professionals. The documentation of any impairment calculation will (1) lead to an understanding of the method used, (2) validate the reliability of the medical report, and (3) allow all parties to have the information needed to provide statutory benefits.

- At MMI, consistency of objective diagnostic studies to measurable clinical findings, the medical/treatment histories, subjective complaints or excessive pain factors, and the impairment rating criteria of the AMA Guides bind together to become substantial medical evidence supporting the reasoned medical opinion.

- The perception that no one but a medical professional can verify or confirm the correct application of the AMA Guides in the calculation of an impairment rating is a misconception**.** The reality is (true in every edition of the AMA Guides) that when clinical findings are fully described, any experienced and trained observer can check the findings with the *Guides criteria.* (AMA Guides, p.17)

- ***"Chapters 1 and 2 are the Constitution of the Guides."*** Mohammed Ranavaya, MD, JD, Contributor & Senior Editor, AMA Guides 5th and 6th Editions.

The Fundamental Principles of the Guides found in these Chapters, including special considerations for rating impairments in California, can be summarized as follows:

1. The concepts and philosophy in Chapters 1 and 2 are the fundamental rules of the AMA Guides and preempt anything in subsequent chapters that conflicts with or disputes these principles.

2. No impairment may exceed 100% of the whole person. No impairment arising from an extremity or body organ may exceed the amputation value; i.e., for the hand region, the value of each digit when impairment factors due to multiple findings can be combined (sensory loss, amputation, and ROM).

3. To be considered substantial medical evidence, an impairment evaluation report based on the *5th Edition of the Guides* must contain the elements described in Section 2.6, Guides, p. 21.

   For each injured region of the body system, the evaluating physician must discuss how the medical findings relate to, compare to, and meet the applicable criteria of the *AMA Guides*. Section 2.6b Principles, p. 22.

   An explanation of how each impairment value was calculated with a listing of all Charts, Tables, and AMA Guides page numbers used for calculating each region or body system being rated must be included. Section 2.6c Principles, p. 22 & Master the AMA Guides, p. 30

4. The AMA Guides state that all regional impairments in the same organ or body system shall be combined in their native scale first, as prescribed by the rules, i.e., digit, upper, or lower extremity scale. They can be combined with other regional impairments at the whole person (WP) level.

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5. **In California,** regional or body system impairments are first adjusted by PDRS modifiers. Then they are combined, not as a Whole Person Percentage of Impairment but as a California-modified percentage of Permanent Disability.

   Before combining a regional WP impairment (elbow) with another regional impairment in the same extremity (shoulder) and/or other body systems (cardiovascular), each must be adjusted by the Permanent Disability Rating Schedule (PDRS) modifiers.

   For Dates of Injury between 1/1/05 and 12/31/2012, a Whole Person Impairment (WPI) is adjusted by modifiers for diminished earning capacity, occupation and age.

   Formula for a Cervical DRE IV (Construction Worker – Age 57, At Maximum Rate:
   15.01.01.0 - 28 - [5] 36 – 480I - 45 = 53% = $67,907.50

   For Dates of Injury after 01/01/2013, WP Impairments are multiplied by 1.4 (40%) and then modified for occupation and age.

   Formula for a Cervical DRE IV (Construction Worker – Age 57, At Maximum Rate:
   15.01.01.00 - 28 - [x 1.4] 39 – 480I - 48 = 56% = $86,197.50

   If a physician has calculated each impairment rating following the protocols, objective criteria and procedures outlined in the proper Clinical Chapters of the Guides, then a combined WPI percentage can be broken down into its basic components and converted into a California Permanent Disability Rating.

6. A Permanent and Stationary (P&S) report should be self-sufficient and include all necessary information, such as impairment factors, findings, and calculations, within the body of the medical report. Worksheets generated by computer programs may assist in verifying mathematical calculations but are not considered substantial medical evidence on their own.

7. The Guides rely on objective criteria to evaluate injuries. Physicians must utilize their clinical expertise, knowledge, skills, and abilities to determine whether the measurements, test results, or written historical information are consistent and match the evaluated pathology. If the findings or the impairment estimate based on these findings contradict established medical principles, they cannot be used to justify an impairment rating.

   Impairments should be rated based on the organ or system where the injury primarily arose or where the most significant dysfunction, consistent with objectively documented pathological remaining factors, exists.

8. The physician needs to explain the medical basis for determining that the individual is at MMI. If the condition is neither static nor well-stabilized, the physician must inform the requesting party and recommend further medical assessment.

9. **Impairment cannot be rated based on anticipated future factors. The Guides only permit rating based on measurable factors present during Maximum Medical Improvement (MMI) due to an injury.**

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9.1. The California Workers' Compensation System allows for reopening a disability award within five years from the injury date to address an increased disability due to the industrial injury.

10. The impairment rating calculated at the end should be rounded mathematically to the nearest whole number. If the number ends in .5-to-.9, it should be rounded up in favor of the injured worker. For numbers ending in .4 or less, rounding down is necessary. You can refer to AMA Guides Section 2.5d, p. 20 for more details.

    When measuring motion impairment, if the value falls between the intervals shown in a pie chart or table, it can be adjusted or interpolated proportionally. However, mathematical rounding principles should still be applied. It's worth noting that impairment ratings are no longer rounded to the nearest 05%, as was indicated in earlier editions of the Guides. This information can be found in the Master the AMA Guides on pages 14 and 38.

11. **Measurements taken in medical assessments should not differ more than 10% from each other and should be rounded to the nearest whole number.** When assessing the range of motion (ROM) and strength, physicians must carefully account for any apparent self-inhibition due to pain or fear. Precision, accuracy, reliability, and validity are crucial factors in determining the extent of impairment. If the medical evidence is insufficient to support the level of impairment, the physician may modify the rating accordingly and provide clear reasons for the modifications. However, if the results remain inconsistent after repeating the tests, they must be discarded for the spine. These principles are outlined in Section 15.8c on page 399.

12. Sometimes, it may not be suitable to combine all impairment standards that result from a single injury. This is because two or more impairments may similarly affect the function of the injured body part or system. The AMA Guides offer guidance on which impairments can be used together.

    Physicians must understand Patho mechanics well and apply proper judgment to avoid duplication of impairment ratings.

    If the *Guides* provide multiple methods to rate a particular impairment or condition properly supported by medical findings, the higher rating method must be used.

13. **Subjective complaints are usually not ratable under the Guides, except for potential exceptions described in chapter 18.**

    In California, a formal pain assessment is not required. Still, a description of how the pain impacts activities of daily living will serve to support the validity of the additional impairment.

    Pain should be rated separately from regional or body system impairment.

    According to the 2005 Permanent Disability Rating Schedule (05PDRS) on page 1-12, when a person experiences pain from a single injury, the maximum allowance for the pain is 03% WP, regardless of the number of impairments that may have resulted from the injury. If a person has multiple impairments, the physician can assign the entire 03% WP to one body region or divide it among all affected areas. In making this determination, the physician should consider the excessive impact of pain on activities of daily living. However, it is essential to note that without a conventional WP impairment rating greater than 'zero,' a 03% WPI based only on Chapter 18 criteria is not ratable.

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14. In cases where a verifiable and ratable condition causes excess pain, an add-on of 01 to 03 WP Impairment may be considered. If the conventional rating accounts for the pain, the impairment rating should be left as is. However, if the pain has further impaired the individual's condition, the examiner may choose to award an impairment add-on of up to 03%. This information can be found on page 573 of the AMA Guides errata.

    When assessing a verifiable medical condition with excess pain, the evaluating physician may increase the conventional impairment up to 03%, **including those addressed under the spinal DRE Categories.**

15. **Ratings for unscheduled conditions require objective factors comparable to scheduled conditions in the AMA Guides, including measurable clinical impairment factors**. This process is known as 'rating by analogy.' For instance, if a patient has a nerve entrapment syndrome that is not listed in the AMA Guides, the physician may use carpal tunnel syndrome as an analogy to rate the impairment (Section 1.5, AMA Guides 5th Edition, p. 10).

    Workers diagnosed with non-surgical carpal tunnel syndrome who have positive nerve conduction studies and experience symptoms that impact daily activities may qualify for an upper extremity impairment rating of up to 5% Upper Extremity Impairment.

    By analogy, the acromioplasty could be compared to a distal clavicle resection, resulting in an arthroplasty impairment rating of 10% UEI. This is due to the comparable impact on Activities of Daily Living (ADLs).

    Blackledge, pgs. 01, 07 & 09**:** "*To constitute substantial evidence regarding WPI, a physician's opinion must* ***comport with the AMA Guides*****."**
    http://www.dir.ca.gov/wcab/EnBancdecisions2010/Blackledge.pdf

    To establish substantial evidence regarding Whole Person Impairment (WPI), a physician's opinion must comply with the American Medical Association (AMA) Guides. The physician's role is to determine the percentage of the injured employee's WPI by presenting a report with facts and reasoning to support their conclusions. The report should also conform to the AMA Guides and case law (Please refer to AMA Guides, § 2.6, pp. 21-22).

    Following all instructions in the first two chapters is important to ensure accurate and consistent ratings. Failure to do so could result in inadequate diagnostic reasoning, useless evidence, and inaccurate ratings (Please see AG-3, p. 20).

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