

## Wages

### Self-Insurance Claims Adjudication Guidelines

	Page
<b><u>Computing Gross Monthly Wage.....</u></b>	<b><u>2</u></b>
<u>Wages at the Time of Injury .....</u>	<u>2</u>
<u>RCW 51.08.178 .....</u>	<u>2</u>
<b><u>Payroll Documentation.....</u></b>	<b><u>3</u></b>
<b><u>Computing Wages Under Subsection 1 .....</u></b>	<b><u>5</u></b>
<u>Salaried Employee .....</u>	<u>5</u>
<u>Regularly Scheduled Hourly Employee – Including Minor Variations .....</u>	<u>5</u>
<u>Representative Period Used for Averaging Hours.....</u>	<u>8</u>
<u>Averaging Hours per Day .....</u>	<u>9</u>
<u>Averaging Hours per Month – When Days Vary but There is Only One Rate of Pay.....</u>	<u>10</u>
<u>Averaging Hours per Month – When There are Multiple Rates of Pay .....</u>	<u>11</u>
<u>Non-Standard Wage.....</u>	<u>14</u>
<u>Overtime .....</u>	<u>15</u>
<u>Other Compensation, Tips, Gratuities, etc.....</u>	<u>17</u>
<b><u>Computing Wages Under Subsection 2 .....</u></b>	<b><u>18</u></b>
<u>Part-Time .....</u>	<u>18</u>
<u>Intermittent.....</u>	<u>19</u>
<u>Seasonal .....</u>	<u>21</u>
<b><u>Calculating Wages under Subsection 4.....</u></b>	<b><u>22</u></b>
<u>“Like” Employees.....</u>	<u>22</u>
<b><u>Health Care Benefits.....</u></b>	<b><u>28</u></b>
<b><u>Computing Bonuses – Subsection 3.....</u></b>	<b><u>30</u></b>
<b><u>Bonus and Lump Sum Classification .....</u></b>	<b><u>30</u></b>
<b><u>Wage Calculation Examples .....</u></b>	<b><u>31</u></b>

## Computing Gross Monthly Wage

### Wages at the Time of Injury

[WAC 296-14-520](#), [WAC 296-14-522](#)

Time-loss compensation calculations are based on wages the injured worker was receiving at the time of injury or manifestation of occupational disease. If the worker had a second job at the time of injury, the income from this source must also be included when computing gross monthly wages.

Compensation received as part of the contract of hire must also be included when calculating wages. A contract of hire is defined as an oral or written agreement, reached by mutual consent, between the employer and worker regarding the terms and conditions of employment. Examples could include, but are not limited to, housing, meals, and commissions.

### Intent of the Law

[RCW 51.08.178](#)

The intent of [RCW 51.08.178](#) is to ensure that wages are computed in a fair and equitable manner. In addition, [RCW 51.12.010](#) states “...This title shall be liberally construed for the purpose of reducing to a minimum the suffering and economic loss arising from injuries and/or death occurring in the course of employment.”

### RCW 51.08.178

Before calculating the worker’s wage, first determine into which subsection of [RCW 51.08.178](#) the worker’s employment pattern falls.

#### Subsection 1: Regular and continuous employment

Most employment patterns fit under subsection 1 of the statute. Regular and continuous does not necessarily mean full time; it just means that whatever the worker’s pattern, it occurs on a regular and continuous basis.

#### Subsection 2: Seasonal, Part-time, Intermittent

Workers fall under subsection 2 if the job has a definite start and stopping point or when the worker is entirely dependent upon the seasons.

The RCW has two additional subsections that may also apply:

#### Subsection 3: Bonuses paid by employer

Bonuses always apply when computing gross monthly wage, regardless of the work pattern.

#### Subsection 4: Using “like employee” wages

The “like employee” method is used when wages are not fixed, cannot be fairly determined, or there is not enough information to accurately determine the employee’s regular work pattern.

## Payroll Documentation

If a wage dispute is received, the department will ask the self-insurer to submit payroll records or other documentation that supports the calculation of wages. The department may also request additional information if payroll documents do not clearly reflect the provided calculations.

Clear information on wage calculations will help expedite a wage order request. The self-insurer should always be prepared to provide:

- **Earning statements** for the requested date range. Earning statements are used by the employer to calculate the worker’s recurring paychecks for each pay period. It is complete paystub information, if not actual paystubs. The date range may be one year prior to the date of injury or manifestation, but may go back as far as three years.
- **Daily time records** for the requested date range. This means timecard records showing the worker’s clock in and clock out times.
- **Definitions of all pay codes used in earning statements.** This should include what each pay code means, as well as what triggers the worker to earn that pay code.
- **Documentation of bonuses and lump sum payments paid in the 12 months prior to the date of injury.**
- **The monthly amount of the employer’s contribution to the worker’s health care benefits (HCB) on the date of injury.** This should be broken down between Medical, Dental, and Vision benefits. If benefits have stopped or are going to be stopped in the future, please include the last date paid.
- **The most current SIF-5A, if not yet submitted to the department.** Include further explanation of minimally worked hours that were rolled into another rate of pay, if unable to explain on the SIF-5A. (See page 5 of the SIF-5A and [Averaging Hours Per Month \(for monthly wage – when there are multiple rates of pay\)](#) in this chapter.)
- **Earning statements for additional employment for the 12 months prior to the date of injury.** If the worker indicated more than one employer on the SIF-2, include documentation for each employer. If the records were not obtained, explain why and submit a copy of the letter sent to the worker requesting the documentation.
- **Any additional documentation** needed by the department for clarification of the worker’s wages.

In cases where an employer pays a union for banking sick or vacation leave and the union pays out to the worker upon request, the employer is responsible for gathering documentation of the hours paid out. If unable to gather documentation needed, vacation and sick leave must be calculated based on leave accrual at the time it is earned.

**Example:**

Michael earns \$5.50 for every hour worked paid to his union for him to use as paid time off (PTO). His payroll records show he worked 510 hours in the 3 month representative period. Michael’s regular rate of pay is \$30.00 per hour.

Method 1: Documentation was provided by Michael’s union showing \$480.00 paid out at his regular rate for PTO in the 3 month representative period.

$$\$480.00 \text{ (paid out)} \div \$30.00 \text{ (regular rate)} = 16 \text{ hours}$$

**Averaging Hours Per Month (for monthly wage - when there are multiple rates of pay)**

<p>Use this method when the worker is paid at more than one rate of pay.</p> <p>For each rate of pay, provide the payroll codes/description of the pay types included in that rate.</p> <ul style="list-style-type: none"> <li>• Include overtime hours at the regular rate of pay.</li> <li>• Include paid Vacation, Sick Leave, Holiday, Comp Time</li> </ul>	<p>Payroll code(s)/description: PTO paid out by the union ←</p>																		
	<table border="1"> <tr> <td>16</td> <td>÷</td> <td>3</td> <td>=</td> <td>5.33</td> <td>x</td> <td>\$30.00</td> <td>=</td> <td>\$159.90</td> </tr> <tr> <td>Total Hours</td> <td></td> <td>Number Months in Period</td> <td></td> <td>Average Hours per Month</td> <td></td> <td>Hourly Rate</td> <td></td> <td>Monthly wage for Rate #1</td> </tr> </table>	16	÷	3	=	5.33	x	\$30.00	=	\$159.90	Total Hours		Number Months in Period		Average Hours per Month		Hourly Rate		Monthly wage for Rate #1
16	÷	3	=	5.33	x	\$30.00	=	\$159.90											
Total Hours		Number Months in Period		Average Hours per Month		Hourly Rate		Monthly wage for Rate #1											
<p>Hourly Rate # 1</p>	<p>Payroll code(s)/description: Regular</p>																		
<p>Hourly Rate # 2</p>	<table border="1"> <tr> <td>510</td> <td>÷</td> <td>3</td> <td>=</td> <td>170.00</td> <td>x</td> <td>\$30.00</td> <td>=</td> <td>\$5,100.00</td> </tr> <tr> <td>Total Hours</td> <td></td> <td>Number Months in Period</td> <td></td> <td>Average Hours per Month</td> <td></td> <td>Hourly Rate</td> <td></td> <td>Monthly wage for Rate #2</td> </tr> </table>	510	÷	3	=	170.00	x	\$30.00	=	\$5,100.00	Total Hours		Number Months in Period		Average Hours per Month		Hourly Rate		Monthly wage for Rate #2
510	÷	3	=	170.00	x	\$30.00	=	\$5,100.00											
Total Hours		Number Months in Period		Average Hours per Month		Hourly Rate		Monthly wage for Rate #2											

Method 2: Documentation was not obtained from Michael’s union to show if any PTO had been paid out to him. In this case, PTO is calculated as it is accrued (paid to the union).

**Averaging Hours Per Month (for monthly wage - when there are multiple rates of pay)**

<p>Use this method when the worker is paid at more than one rate of pay.</p> <p>For each rate of pay, provide the payroll codes/description of the pay types included in that rate.</p> <ul style="list-style-type: none"> <li>• Include overtime hours at the regular rate of pay.</li> <li>• Include paid Vacation, Sick Leave, Holiday, Comp Time</li> </ul>	<p>Payroll code(s)/description: PTO accrued paid to the union ←</p>																		
	<table border="1"> <tr> <td>510</td> <td>÷</td> <td>3</td> <td>=</td> <td>170.00</td> <td>x</td> <td>\$5.50</td> <td>=</td> <td>\$935.00</td> </tr> <tr> <td>Total Hours</td> <td></td> <td>Number Months in Period</td> <td></td> <td>Average Hours per Month</td> <td></td> <td>Hourly Rate</td> <td></td> <td>Monthly wage for Rate #1</td> </tr> </table>	510	÷	3	=	170.00	x	\$5.50	=	\$935.00	Total Hours		Number Months in Period		Average Hours per Month		Hourly Rate		Monthly wage for Rate #1
510	÷	3	=	170.00	x	\$5.50	=	\$935.00											
Total Hours		Number Months in Period		Average Hours per Month		Hourly Rate		Monthly wage for Rate #1											
<p>Hourly Rate # 1</p>	<p>Payroll code(s)/description: Regular</p>																		
<p>Hourly Rate # 2</p>	<table border="1"> <tr> <td>510</td> <td>÷</td> <td>3</td> <td>=</td> <td>170.00</td> <td>x</td> <td>\$30.00</td> <td>=</td> <td>\$5,100.00</td> </tr> <tr> <td>Total Hours</td> <td></td> <td>Number Months in Period</td> <td></td> <td>Average Hours per Month</td> <td></td> <td>Hourly Rate</td> <td></td> <td>Monthly wage for Rate #2</td> </tr> </table>	510	÷	3	=	170.00	x	\$30.00	=	\$5,100.00	Total Hours		Number Months in Period		Average Hours per Month		Hourly Rate		Monthly wage for Rate #2
510	÷	3	=	170.00	x	\$30.00	=	\$5,100.00											
Total Hours		Number Months in Period		Average Hours per Month		Hourly Rate		Monthly wage for Rate #2											

Wage orders will not be issued unless a dispute is received from the worker ([WAC 296-15-425](#)).

**Exception:** Wage orders are required for Social Security Offset, pension, or if there is a dispute regarding the amount of time-loss benefits paid due to the wage calculation.

## Computing Wages Under Subsection 1

[RCW 51.08.178\(1\)](#)

### Salaried Employee

Use this method when the employee earns a fixed monthly salary.

**Example:**

Ariel’s hours and days worked varied greatly. She was not eligible for overtime, and regardless of how many hours she worked, she earned \$4,700.00 per month.

Fill in this section of the [SIF-5A](#) form (page 3):

Salaried Employee	
<i>Use this method when the employee earns a fixed monthly salary.</i>	Monthly Salary = $\frac{\$4,700.00}{\text{Monthly Wage}}$ <i>Overtime hours should be calculated separately using averaging of hours.</i>

**Note:** For a salaried employee who is overtime eligible, overtime hours should be calculated separately at the regular rate of pay on page 4 under either the section “Averaging Hours Per Day” when the worker works the same number of days of overtime a week, or the section “Averaging Hours Per Month” when the overtime days worked varies.

### Regularly Scheduled Hourly Employee – Including Minor Variations

Regularly scheduled means the employee works or is scheduled to work the same schedule on each day of the week, all the time, or works the same number of hours per day and days per week, in a regular pattern.

Use this method when the employee has only one rate of pay and works a regular schedule with a minor variation. (To determine if the schedule has more than a minor variation, use the “Calculation of Minor Variation for a Regularly Scheduled Employee” section on the SIF-5A.)

**Note:** Overtime hours should be calculated separately on page 4 under either the section “Averaging Hours Per Day” when the worker works the same number of days of overtime each week, or the section “Averaging Hours Per Month” when the number of overtime days per week varies. Overtime should be calculated at the regular rate of pay.

**Example:**

Martha is a cashier who is paid \$12.95 per hour and works 8 hours per day, 5 days per week.

\$12.95 x 8 hours = \$103.60 (daily wage)  
 \$103.60 x 22 = \$2,279.20 (gross monthly wage)

Fill in this section of the [SIF-5A](#) form (page 3):

Regularly Scheduled Hourly Employee - Including Minor Variations																	
<i>Use this method when:</i> <ul style="list-style-type: none"> <li>The injured worker had only one rate of pay, and</li> <li>Worked a regular schedule (can include a minor variation).</li> </ul>	Number of days worked per week: <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">\$12.95</td> <td style="text-align: center;">x</td> <td style="text-align: center;">8</td> <td style="text-align: center;">x</td> <td style="text-align: center;">22</td> <td style="text-align: center;">=</td> <td style="text-align: center;">\$2,279.20</td> </tr> <tr> <td style="text-align: center;"><i>Hourly Rate</i></td> <td></td> <td style="text-align: center;"><i>Hours per day</i></td> <td></td> <td style="text-align: center;"><i>*Days per month</i></td> <td></td> <td style="text-align: center;"><i>Monthly Wage</i></td> </tr> </table>	\$12.95	x	8	x	22	=	\$2,279.20	<i>Hourly Rate</i>		<i>Hours per day</i>		<i>*Days per month</i>		<i>Monthly Wage</i>		
	\$12.95	x	8	x	22	=	\$2,279.20										
<i>Hourly Rate</i>		<i>Hours per day</i>		<i>*Days per month</i>		<i>Monthly Wage</i>											
<i>To determine if the regular schedule had a minor variation, complete the "Calculation of Minor Variation for Regularly Scheduled Employee - One Rate of Pay" section when the worker is paid at only one rate of pay.</i>	<i>*Days per month are defined by law and are based on the number of days worked per week.</i> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Days worked per week</th> <th>Days per month</th> </tr> </thead> <tbody> <tr><td style="text-align: center;">1</td><td style="text-align: center;">5</td></tr> <tr><td style="text-align: center;">2</td><td style="text-align: center;">9</td></tr> <tr><td style="text-align: center;">3</td><td style="text-align: center;">13</td></tr> <tr><td style="text-align: center;">4</td><td style="text-align: center;">18</td></tr> <tr><td style="text-align: center;">5</td><td style="text-align: center;">22</td></tr> <tr><td style="text-align: center;">6</td><td style="text-align: center;">26</td></tr> <tr><td style="text-align: center;">7</td><td style="text-align: center;">30</td></tr> </tbody> </table>	Days worked per week	Days per month	1	5	2	9	3	13	4	18	5	22	6	26	7	30
Days worked per week	Days per month																
1	5																
2	9																
3	13																
4	18																
5	22																
6	26																
7	30																

This is also applicable for regularly scheduled employees who work more or less than 40 hours per week.

**Example:**

Jim is a shelf stocker who is paid \$11.85 per hour and works 6 hours per day, 3 days per week.

\$11.85 x 6 hours = \$71.10 (daily wage)  
 \$71.10 x 13 = \$924.30 (gross monthly wage)

Fill in this section of the [SIF-5A](#) form (page 3):

Regularly Scheduled Hourly Employee - Including Minor Variations																	
Use this method when:	Number of days worked per week:																
<ul style="list-style-type: none"> <li>The injured worker had only one rate of pay, and</li> <li>Worked a regular schedule (can include a minor variation).</li> </ul>	$\frac{\$11.85}{\text{Hourly Rate}} \times \frac{6}{\text{Hours per day}} \times \frac{13}{\text{*Days per month}} = \frac{\$924.30}{\text{Monthly Wage}}$																
To determine if the regular schedule had a minor variation, complete the "Calculation of Minor Variation for Regularly Scheduled Employee - One Rate of Pay" section when the worker is paid at only one rate of pay.	<p>*Days per month are defined by law and are based on the number of days worked per week.</p> <table border="1"> <thead> <tr> <th>Days worked per week</th> <th>Days per month</th> </tr> </thead> <tbody> <tr><td>1</td><td>5</td></tr> <tr><td>2</td><td>9</td></tr> <tr><td>3</td><td>13</td></tr> <tr><td>4</td><td>18</td></tr> <tr><td>5</td><td>22</td></tr> <tr><td>6</td><td>26</td></tr> <tr><td>7</td><td>30</td></tr> </tbody> </table>	Days worked per week	Days per month	1	5	2	9	3	13	4	18	5	22	6	26	7	30
Days worked per week	Days per month																
1	5																
2	9																
3	13																
4	18																
5	22																
6	26																
7	30																

In the significant court decision *In Re: Maggie R. Stedman*, the court found that averaging hours worked per day pursuant to [RCW 51.08.178\(1\)](#) should only be used in limited circumstances. Minor variations in hours worked should be considered self-correcting rather than the norm when establishing the number of hours worked.

To determine if there is a minor variation, use this formula employing the same representative period used to calculate wages:

- If the variation is between 0% and 10% – use regularly scheduled to calculate the monthly wage.
- If the variation is greater than 10% – use averaging to calculate the monthly wage.
- If the variation is a negative number, use averaging to calculate the monthly wage.

**Example:**

Ken worked for a construction company; he normally worked 10 hours per day, 4 days per week, earning \$27.75 an hour. Occasionally, he was sent home early due to weather conditions. In the 3 months prior to the date of injury, he was scheduled to work 528 hours, but due to weather conditions, he actually worked 498 hours.

Complete this section of the [SIF-5A](#) form (page 6):

Calculation of Minor Variation for a Regularly Scheduled Employee			
If the variation is 10% or less, use regularly scheduled with a minor variation to calculate the monthly wage.	Scheduled Hours:	528.00	
	Actual Hours Worked:	498.00	
Paid Vacation and Sick Leave should be included in the Actual Hours worked.	$\frac{498.00}{\text{Actual Hours}}$	$\div \frac{528.00}{\text{Scheduled Hours}}$	$= \frac{0.94}{\text{Variation}}$
Do not include overtime hours in the "Actual hours worked."	$\frac{1.00}{\text{Variation}}$	$- \frac{0.94}{\text{Variation}}$	$\times \frac{100}{\text{Variation}} = \frac{6.00}{\% \text{ Variation}}$
If the variation is greater than 10%, use averaging to calculate the monthly wage.			

Since a variation of 6.00% would be considered a minor variation, calculate Ken’s wages using “Regularly Scheduled Hourly Employee – including minor variations” as shown:

Regularly Scheduled Hourly Employee - Including Minor Variations																	
Use this method when:	Number of days worked per week:																
<ul style="list-style-type: none"> <li>The injured worker had only one rate of pay, and</li> <li>Worked a regular schedule (can include a minor variation).</li> </ul>	$\frac{\$27.75}{\text{Hourly Rate}} \times \frac{10}{\text{Hours per day}} \times \frac{18}{\text{*Days per month}} = \frac{\$4,995.00}{\text{Monthly Wage}}$																
To determine if the regular schedule had a minor variation, complete the "Calculation of Minor Variation for Regularly Scheduled Employee - One Rate of Pay" section when the worker is paid at only one rate of pay.	<p>*Days per month are defined by law and are based on the number of days worked per week.</p> <table border="1"> <thead> <tr> <th>Days worked per week</th> <th>Days per month</th> </tr> </thead> <tbody> <tr><td>1</td><td>5</td></tr> <tr><td>2</td><td>9</td></tr> <tr><td>3</td><td>13</td></tr> <tr><td>4</td><td>18</td></tr> <tr><td>5</td><td>22</td></tr> <tr><td>6</td><td>26</td></tr> <tr><td>7</td><td>30</td></tr> </tbody> </table>	Days worked per week	Days per month	1	5	2	9	3	13	4	18	5	22	6	26	7	30
Days worked per week	Days per month																
1	5																
2	9																
3	13																
4	18																
5	22																
6	26																
7	30																

## Representative Period Used for Averaging Hours

If the employee does not fit into one of the previous categories (Salaried or Regularly Scheduled Hourly), use the representative period and average hours. Hours should be averaged either per day or per month, depending on the variance in the employee’s employment pattern.

The default representative period is 3 months immediately prior to the injury. When determining the specific dates to use for the representative period, use the following number of pay periods immediately prior to the date of injury to reach 3 months:

- For monthly payroll, use 3 full pay periods.
  - One month is considered a **consecutive calendar month**.
    - Example: February 14 – March 13 = 28 days
    - March 18 – April 17 = 31 days



- For semi-monthly payroll, use 6 full pay periods.
- For bi-weekly payroll, use 6.5 pay periods.  
Note: the half pay period must be use the actual worked hours for one whole work week. Use either the hours worked in the first week of week 7, or the last week before week 1. Simply dividing the total hours in that pay period by two would not be correct.
- For weekly payroll, use 13 full pay periods.

If the 3-month default period is not representative of the worker’s typical employment pattern, an alternate period may be used, such as 12 months. For bi-weekly payroll, 6 months (13 full payroll periods) is often easier to use than 3 months because of the need to split a pay period to make 6.5 pay periods.

Complete this section of the [SIF-5A](#) form (page 4):

Representative Period Used for Averaging Hours - Only Required When Averaging Hours		
Use 3 month default period, unless a different period better represents the employment pattern. For example, gaps, new job/schedule, or leave without pay may require use of longer or shorter representative periods.	From:	6/2/2013
	To:	8/31/2013
	Reason the representative period was chosen:	
	<input checked="" type="checkbox"/>	3 months* immediately prior to injury (default)
	<input type="checkbox"/>	6 months immediately prior to the injury (for bi-weekly payroll, use 13 full pay periods)
<input type="checkbox"/>	12 months immediately prior to the injury (when 3 months doesn't fairly represent the employment pattern)	
<input type="checkbox"/>	Other period. Explain:	
*When using a 3 month representative period, use the following number of pay periods:		
<ul style="list-style-type: none"> <li>• For monthly payroll, use 3 full pay periods.</li> <li>• For semi-monthly payroll, use 6 full pay periods.</li> <li>• For bi-weekly payroll, use 6.5 pay periods.</li> <li>• For weekly payroll, use 13 full pay periods.</li> </ul>		

## Averaging Hours per Day

When a worker works the same number of days a week but the number of hours per days varies, their hours must be averaged per day. This only applies to workers with one rate of pay and any overtime hours should be included in the total. To establish the gross monthly wage, multiply the rate of pay by the average hours per day, then multiply by the number of days worked per month, using the formula in the statute.

### Example:

Beth is a retail clerk who earns \$10.75 per hour and works 4 days per week. The number of hours she works per day varies. Review of her payroll records shows that she worked 353.6 hours in the 3-month representative period prior to her injury.

$$353.6 \text{ hours} \div 52 \text{ (\# of days worked in period)} = 6.80 \text{ (avg. hours per day)}$$

$$\$10.75 \times 6.80 \text{ (avg. hours per day)} \times 18 = \$1,315.80 \text{ (gross monthly wage)}$$

Complete this section of the [SIF-5A](#) form (page 4):

Representative Period Used for Averaging Hours																
If the employee does not fit into one of the above categories, choose a representative period in order to average hours. Hours will be averaged either per day or per month, depending on the amount of variance in the employee's employment pattern.	From: 6/2/2013 To: 8/31/2013															
	Reason the representative period was chosen:															
	<input checked="" type="checkbox"/> 3 months* immediately prior to injury (default)															
	<input type="checkbox"/> 6 months immediately prior to the injury (for bi-weekly payroll use 13 full pay periods)															
	<input type="checkbox"/> 12 months immediately prior to the injury (when 3 months doesn't fairly represent the employment pattern)															
	<input type="checkbox"/> Other period. Explain:															
*When using a 3 month representative period, use the following number of pay periods:																
<ul style="list-style-type: none"> <li>For monthly payroll, use 3 full pay periods.</li> <li>For semi-monthly payroll, use 6 full pay periods.</li> <li>For bi-weekly payroll, use 6.5 pay periods.</li> <li>For weekly payroll, use 13 full pay periods.</li> </ul>																
Averaging Hours Per Day (for daily wage - when hours vary but there is only one rate of pay)																
<b>If Hourly:</b> Use this method when the number of days worked per week does not vary, but the number of hours worked per day does vary. <ul style="list-style-type: none"> <li>Include overtime hours at the regular rate of pay.</li> <li>Include paid Vacation, Sick Leave, Holiday, Comp Time Earned and any paid leave.</li> <li>Do not include Comp Time Taken or leave without pay hours.</li> </ul> Note: Time ½ & Double-time may be separated rates of pay if earned outside normal overtime rules. <b>If Salaried/Regularly Scheduled:</b> Use to calculate overtime the same number of days per week. <ul style="list-style-type: none"> <li>Deduct Comp Time Taken from total overtime hours.</li> </ul>	Number of days worked per week: $\frac{353.6}{52} = 6.80$ Total hours worked in the period      # of days worked in the period      Average hours per day $\frac{\$10.75}{\text{Hourly Rate}} \times \frac{6.80}{\text{Average hours per day}} \times \frac{18}{\text{*Days per month}} = \frac{\$1,315.80}{\text{Monthly Wage}}$															
	Use two decimal points when calculating average hours per day. Rounding: Numbers ending in 0-4 should be rounded down. Numbers ending in 5-9 should be rounded up.															
	*Days per month are defined by law and are based on the number of days worked per week.															
	<table border="1"> <thead> <tr> <th>Days worked per week</th> <th>Days per month</th> </tr> </thead> <tbody> <tr><td>1</td><td>5</td></tr> <tr><td>2</td><td>9</td></tr> <tr><td>3</td><td>13</td></tr> <tr><td>4</td><td>18</td></tr> <tr><td>5</td><td>22</td></tr> <tr><td>6</td><td>26</td></tr> <tr><td>7</td><td>30</td></tr> </tbody> </table>	Days worked per week	Days per month	1	5	2	9	3	13	4	18	5	22	6	26	7
Days worked per week	Days per month															
1	5															
2	9															
3	13															
4	18															
5	22															
6	26															
7	30															

## Averaging Hours per Month – When Days Vary but There is Only One Rate of Pay

This method is used when the number of days worked per week varies, but the worker only earns one rate of pay.

**Example:**

Simon is a retail clerk who is paid \$11.35 per hour. He works between 3 and 6 days per week. His payroll records show that he has worked 423 hours in the 3-month default period prior to the date of injury.

423 hours ÷ 3 months = 141 (avg. hours worked per month)  
 141 (avg. hours worked per month) x \$11.35 (hourly rate) = \$1,600.35 (gross monthly wage)

Complete this section of the [SIF-5A](#) form (page 4):

Averaging Hours Per Month (for monthly wage)									
<p><b>If Hourly:</b> Use this method when the number of days worked per week varies, but the worker is paid at only one rate of pay.</p> <p><b>If Salaried/Regularly Scheduled:</b> Use to calculate overtime when worked at no set pattern. *See above section for hour details*</p>	423	÷	3	=	141.00	×	\$11.35	=	\$1,600.35
	Total hours worked in the period		# of months in period		Average hours per month		Hourly Rate		Monthly Wage

## Averaging Hours per Month – When There are Multiple Rates of Pay

In the court decision *Fred Meyer Inc. v. Shearer*, the court found that shift differential is not overtime, but rather additional compensation for working undesirable hours. Shearer’s wages were calculated as if she worked for two different employers.

Workers who receive an hourly rate different than the regular hourly rate of pay for working a certain shift, day of the week, having additional responsibilities, etc., are entitled to have that rate of pay included in their gross monthly wage.

If the hours worked at a given rate of pay average out to at least 8 hours per month, the rate will stand as a “qualified” rate of pay and cannot be rolled into any other rate of pay. If any rate of pay is less than 8 hours per month (“minimally worked hours”), it may be rolled up into the next **highest** “qualified” rate of pay. If no higher rate of pay is available, it may be rolled down to the next “qualified” rate of pay available.

### Qualified Rate of Pay

A rate of pay with at least 8 average hours per month.

### Minimally Worked Hours

A rate of pay that is less than 8 average hours per month.

### Bundling or Rolling Rates: All or None

- If the choice to bundle rates is made, all rates with minimally worked hours should be rolled into a qualified rate.
- If the choice is to **not** bundle rates, then all rates of pay, no matter how little worked, should be shown in the calculations.

This method is for use when there are multiple rates of pay. For each pay period, provide the payroll codes/description of the pay types included in that rate.

**Example #1:**

Colton works a rotating shift at a shoe factory. He earns different rates of pay for the day shift, the swing shift, and the night shift.

In the 3 months prior to his date of injury, he worked a total of:

- 155 hours on the day shift at \$14.00 an hour.
- 163 hours on the swing shift at \$16.00 an hour.
- 210 hours on the night shift at \$18.00.

Complete this section of the [SIF-5A](#) form (page 5):

<b>Averaging Hours Per Month (for monthly wage - when there are multiple rates of pay)</b>										
<p><i>Use this method when the worker is paid at more than one rate of pay.</i></p> <p><i>For each rate of pay, provide the payroll codes/description of the pay types included in that rate.</i></p> <ul style="list-style-type: none"> <li>• Include overtime hours at the regular rate of pay.</li> <li>• Include paid Vacation, Sick Leave, Holiday, Comp Time Earned and any paid leave.</li> <li>• Do not include Comp Time Taken or leave without pay hours.</li> </ul> <p><b>Note:</b> Time ½ &amp; Double-time may be separate rates of pay if earned outside normal overtime rules</p> <p><b>Qualified Rate of Pay</b> 8 or more average hours per month; cannot be bundled into another rate.</p> <p><b>Minimally Worked Hours</b> Less than 8 average hours per month; can be bundled into the next highest qualified rate. If no higher qualified rate, can be bundled down into the next qualified rate.</p> <p><u>Note: When choosing to bundle, you must bundle all minimally worked rates. *Calculations must be provided to show how hours were bundled.*</u></p> <p><i>If there are more than 5 rates of pay, attach additional pages to show how the preparer calculated the monthly wage for each additional rate of pay.</i></p>	Hourly Rate # 1	Payroll code(s)/description: Day Shift ←								
		155	÷	3	=	51.67	x	\$14.00	=	\$723.38
		Total Hours		Number Months in Period		Average Hours per Month		Hourly Rate		Monthly wage for Rate #1
	Hourly Rate # 2	Payroll code(s)/description: Swing Shift ←								
		163	÷	3	=	54.33	x	\$16.00	=	\$869.28
	Total Hours		Number Months in Period		Average Hours per Month		Hourly Rate		Monthly wage for Rate #2	
Hourly Rate # 3	Payroll code(s)/description: Night Shift ←									
	210	÷	3	=	70.00	x	\$18.00	=	\$1,260.00	
	Total Hours		Number Months in Period		Average Hours per Month		Hourly Rate		Monthly wage for Rate #3	
Hourly Rate # 4	Payroll code(s)/description:									
		÷	0.01	=	0.00	x		=	\$0.00	
	Total Hours		Number Months in Period		Average Hours per Month		Hourly Rate		Monthly wage for Rate #4	
Hourly Rate # 5	Payroll code(s)/description:									
		÷	0.01	=	0.00	x		=	\$0.00	
	Total Hours		Number Months in Period		Average Hours per Month		Hourly Rate		Monthly wage for Rate #5	
<b>Total Monthly Wage</b>		\$723.38	+	\$869.28	+	\$1,260.00	+	\$0.00	+	
		Monthly wage, rate #1		Monthly wage, rate #2		Monthly wage, rate #3		Monthly wage, rate #4		
		\$0.00	+		=	\$2,852.66				
	Monthly wage, rate #5				Sum of monthly wage for pay rates #6 and up (from additional pages)		<b>Total Monthly Wage</b>			

## Example #2:

Julian is a nurse at a hospital; he works various shifts and earns several different rates of pay depending on the shift.

In the 3 months prior to his date of injury, he worked a total of:

- 121 hours on the regular day shift (203), at \$24.00 an hour.
- 97 hours on the regular swing shift (207), at \$31.00 an hour.
- 17 hours on the regular night shift (211), at \$34.00 an hour.
- 4 hours at the regular day call back rate (401), at \$37.00 an hour.
- 103 hours on the weekend day shift (303), at \$35.00 an hour.
- 26 hours on the weekend swing shift (307), at \$42.00 an hour.
- 49 hours on the weekend night shift (311), at \$47.00 an hour.

Since the regular night shift (211) rate and the regular day call back rate (401) were minimally worked hours (they each averaged less than 8 hours per month), his employer chose to roll those hours into the next highest “qualified” rate of pay (rate that has at least 8 average hours per month).

The hours for the regular night shift rate (211) at \$34.00 were rolled into the weekend day shift rate (303) at \$35.00 per hour.

The hours for the regular day call back rate (401) at \$37.00 were rolled into the weekend swing shift rate (307) at \$42.00 per hour.

Fill in this section of the [SIF-5A](#) form (page 5):

<b>Averaging Hours Per Month (for monthly wage - when there are multiple rates of pay)</b>					
<p>Use this method when the worker is paid at more than one rate of pay.</p> <p>For each rate of pay, provide the payroll codes/description of the pay types included in that rate.</p> <ul style="list-style-type: none"> <li>• Include overtime hours at the regular rate of pay.</li> <li>• Include paid Vacation, Sick Leave, Holiday, Comp Time Earned and any paid leave.</li> <li>• Do not include Comp Time Taken or leave without pay hours.</li> </ul> <p><b>Note:</b> Time ½ &amp; Double-time may be separate rates of pay if earned outside normal overtime rules</p> <p><b>Qualified Rate of Pay</b> 8 or more average hours per month; cannot be bundled into another rate.</p> <p><b>Minimally Worked Hours</b> Less than 8 average hours per month; can be bundled into the next highest qualified rate. If no higher qualified rate, can be bundled down into the next qualified rate.</p> <p><u>Note: When choosing to bundle, you must bundle all minimally worked rates. *Calculations must be provided to show how hours were bundled.*</u></p> <p>If there are more than 5 rates of pay, attach additional pages to show how the preparer calculated the monthly wage for each additional rate of pay.</p>	Hourly Rate # 1	Payroll code(s)/description: Regular day shift (203)			
	$\frac{121}{3} = 40.33$	$\times$	$\frac{\$24.00}{}$	$=$	$\$967.92$
	Total Hours	Number Months in Period	Average Hours per Month	Hourly Rate	Monthly wage for Rate #1
	Hourly Rate # 2	Payroll code(s)/description: Regular swing shift (207)			
	$\frac{97}{3} = 32.33$	$\times$	$\frac{\$31.00}{}$	$=$	$\$1,002.23$
	Total Hours	Number Months in Period	Average Hours per Month	Hourly Rate	Monthly wage for Rate #2
	Hourly Rate # 3	Payroll code(s)/description: Regular night shift (211) & weekend day shift (303) ←			
	$\frac{120}{3} = 40.00$	$\times$	$\frac{\$35.00}{}$	$=$	$\$1,400.00$
	Total Hours	Number Months in Period	Average Hours per Month	Hourly Rate	Monthly wage for Rate #3
	Hourly Rate # 4	Payroll code(s)/description: Regular day call back rate (401) & weekend swing shift (307) ←			
$\frac{30}{3} = 10.00$	$\times$	$\frac{\$42.00}{}$	$=$	$\$420.00$	
Total Hours	Number Months in Period	Average Hours per Month	Hourly Rate	Monthly wage for Rate #4	
Hourly Rate # 5	Payroll code(s)/description: Weekend night shift (311)				
$\frac{49}{3} = 16.33$	$\times$	$\frac{\$47.00}{}$	$=$	$\$767.51$	
Total Hours	Number Months in Period	Average Hours per Month	Hourly Rate	Monthly wage for Rate #5	
<b>Total Monthly Wage</b>	$\$967.92 + \$1,002.23 + \$1,400.00 + \$420.00 +$				
	Monthly wage, rate #1	Monthly wage, rate #2	Monthly wage, rate #3	Monthly wage, rate #4	
	$\$767.51$	$+$	$=$	$\$4,557.66$	
	Monthly wage, rate #5	Sum of monthly wage for pay rates #6 and up (from additional pages)	<b>Total Monthly Wage</b>		

## Non-Standard Wage

This section should be used when a worker is paid in a non-standard way (e.g., by the mile or trip, commission, piecework, etc.). For these workers, an average monthly wage will be used. Choose a representative period that reflects only the current rate(s) of pay (i.e. the rate(s) of pay in effect on the date of injury). Remember to exclude bonuses, which are added into the wage in another section of the form.



**Example:**

Juan is a truck driver who is paid by the mile. In the past 3 months, he earned a total of \$10,976.00, excluding his bonuses. He is paid monthly.

Fill in this section of the [SIF-5A](#) form (page 6):

Non-Standard Wage		
<p><i>Use this method when the worker is paid in a non-standard way, for example, by the mile or trip, or commission or piecework.</i></p> <p><i>For these workers, the monthly wage will be used.</i></p> <p><i>Choose a representative period that reflects only the current rate(s) of pay (i.e. the rate(s) of pay in effect on the date of injury).</i></p> <p><i>Exclude bonuses - Complete the "Bonuses - RCW 51.08.178(3)" worksheet if the employee received any bonuses.</i></p>	<p>Explain how the worker is paid, and at what "rate", if applicable:                      Worker is a truck driver paid .28¢ a mile and drove 39,200 miles during this period</p>	
	<p><b>Representative Period:</b></p> <p>From: 3/1/2011 To: 5/31/2011</p>	
	<p><b>Reason the representative period was chosen:</b></p> <p><input checked="" type="checkbox"/> 3 months immediately prior to injury (default)</p> <p><input type="checkbox"/> 6 months immediately prior to the injury (for bi-weekly payroll, use 13 full pay periods)</p> <p><input type="checkbox"/> 12 months immediately prior to the injury (when 3 months doesn't fairly represent the wages)</p> <p><input type="checkbox"/> Other period. Explain:</p>	
	$\frac{\$10,976.00}{3} = \$3,658.67$	
	<p>Total compensation for the representative period</p>	<p># of months in the representative period</p>

**Overtime**

[WAC 296-14-530](#)

If a worker has a consistent pattern of overtime, their gross monthly wage should take into account the overtime hours worked at their regular rate of pay, not at the overtime rate of pay.


For salaried and regularly scheduled hourly employees, overtime hours are calculated separately using averaging of hours for the overtime hours (see pages 3 and 4 of the [SIF-5A](#)).

- Use Averaging Hours per Day only when the worker has a consistent pattern of overtime the same number of days per week. This rarely occurs, because most workers do not work scheduled overtime the same number of days per week.
- Use Averaging Hours per Month when a worker has sporadic overtime which varies with no set pattern (e.g., a worker may work overtime one day one week, none the next, then 2 days the week following, skipping the next 2 weeks, etc.).
- Submit payroll records which show the overtime hours worked.


**Example:**

Barbara is a construction worker who makes \$20.65 an hour. Her scheduled work week is 8 hours per day, 5 days per week. However, several days a month she works extra hours. She is paid time and a half for her overtime hours. A review of her payroll records show she worked 84 overtime hours in the representative 3-month period prior to her injury.

Fill in this section of the [SIF-5A](#) form (page 3):

Regularly Scheduled Hourly Employee - Including Minor Variations																
<p>Use this method when:</p> <ul style="list-style-type: none"> <li>The injured worker had only one rate of pay, and</li> <li>Worked a regular schedule (can include a minor variation).</li> </ul> <p>To determine if the regular schedule had a minor variation, complete the "Calculation of Minor Variation for Regularly Scheduled Employee - One Rate of Pay" section when the worker is paid at only one rate of pay.</p> <p>If the injured worker worked a varying number of days per week or received multiple rates of pay, go to the "Representative Period Used for Averaging Hours" section.</p>	<p>Number of days worked per week:</p>															
	$\frac{\$20.65}{\text{Hourly Rate}} \times \frac{8}{\text{Hours per day}} \times \frac{22}{\text{*Days per month}} = \frac{\$3,634.40}{\text{Monthly Wage}}$ <p><i>*Days per month are defined by law and are based on the number of days worked per week.</i></p> <table border="1"> <thead> <tr> <th>Days worked per week</th> <th>Days per month</th> </tr> </thead> <tbody> <tr><td>1</td><td>5</td></tr> <tr><td>2</td><td>9</td></tr> <tr><td>3</td><td>13</td></tr> <tr><td>4</td><td>18</td></tr> <tr><td>5</td><td>22</td></tr> <tr><td>6</td><td>26</td></tr> <tr><td>7</td><td>30</td></tr> </tbody> </table> <p>"Regularly scheduled" means the injured worker works the same schedule on each day of the week, all the time, or works the same number of hours per day and days per week in a regular pattern.</p> <p>Overtime hours should be calculated separately using averaging of hours. </p>	Days worked per week	Days per month	1	5	2	9	3	13	4	18	5	22	6	26	7
Days worked per week	Days per month															
1	5															
2	9															
3	13															
4	18															
5	22															
6	26															
7	30															

Calculate the overtime by completing this section of the [SIF-5A](#) form (page 4):

Averaging Hours Per Month (for monthly wage)	
<p><b>If Hourly:</b> Use this method when the number of days worked per week varies, but the worker is paid at only one rate of pay.</p> <p><b>If Salaried/Regularly Scheduled:</b> Use to calculate overtime when worked at no set pattern. <i>*See above section for hour details*</i></p>	$\frac{84}{\text{Total hours worked in the period}} \div \frac{3}{\text{\# of months in period}} = \frac{28.00}{\text{Average hours per month}} \times \frac{\$20.65}{\text{Hourly Rate}} = \frac{\$578.20}{\text{Monthly Wage}}$ <p></p>



For all other subsection 1 workers who do not work regularly scheduled hours per day or days per week, include the overtime hours in the total hours used to average hours by the day or month.

When a worker earns comp time (time off work granted in lieu of overtime pay), it is viewed as a deferred payment of overtime wages. Therefore, the hours worked to earn the comp time would be counted at the regular rate of pay (same as overtime) when averaging hours. Later, when the comp time is taken, those hours should be excluded from the worked hours.

## Other Compensation, Tips, Gratuities, etc.

[WAC 296-14-522](#)

This section is where other types of compensation are entered; some are listed on the form, such as commission, housing/board, fuel, etc. Less common compensations such as longevity pay, education allowance, etc. will need to be explained. Any compensation listed in the section “Other (explain below)” should include an explanation (e.g., \$55.00 per month for longevity pay).

Tips are considered wages only when the worker reports them to the employer for federal income tax purposes or when they are distributed by the employer to the employee.

Gratuities are mandatory service charges added to a customer’s check by management. Similar to tips, they should be considered wages only if they are reported for federal income tax purposes or when they are distributed by the employer to the employee.

**Note:** Fringe benefits are not included in the wage calculation. Payment for items other than board, housing, fuel, or other consideration of like nature made by the employer to a trust fund or other entity for fringe benefits do not constitute wages.

It may not always be clear whether a payment should be included as other compensation. For more guidance, please see the [The Lump Sum Classification Matrix](#) on the [Claims Management Tools](#) page on the department’s website.

Fill in this section of the [SIF-5A](#) form:

Other Compensation		
<i>Enter the monthly value for any type of compensation the injured worker may have received in addition to hourly wages or health care benefits.</i>	Tips/Gratuities:	Driver Mileage:
	Housing/Board:	Equipment/Clothing:
	Fuel:	Driver pickup/delivery:
	Commission:	Piecework:
	Transportation:	Other (explain below): \$55.00
	Description of "other" wages:	Monthly longevity pay.
	Total monthly value of other compensation: \$55.00	

## Additional Jobs (Other Employers) – Subsection 1 Only

Use this section when a worker has more than one job at the time of injury. [RCW 51.08.178](#) requires the insurer to include wages “from all employment at the time of injury.” For any additional jobs, a wage calculation on the appropriate section of a **separate SIF-5A** form must be completed. A full SIF-5A is not required for each additional job, only the pages used to calculate the wage. Attach the calculation of wages for the additional job(s) based on the employment pattern of that job (regularly scheduled, salaried, averaging of hours, etc.). All of the same issues considered in wages for the job of injury apply to wage calculations for additional jobs (other compensation [tips, mileage, etc.], health care benefits, bonuses etc.).

Fill in this section of the [SIF-5A](#) form to include the monthly wages of the additional job(s):

Additional Jobs (Other Employers) - for Regular and Continuous Employment RCW 51.08.178(1) only						
	Did the injured worker have more than one paying job at the time of injury? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
	If yes, complete the appropriate worksheet(s) for each job.					
Include wages from all other employers at the time of injury.	\$325.00	+	\$410.00	+	=	\$735.00
	Monthly wage, additional		Monthly wage, additional		Monthly wage, additional	Monthly wage for all additional jobs
	Employer #1:		Employer #2:		Employer #3:	
	(Enter Name)		(Enter Name)		(Enter Name)	

## Computing Wages Under Subsection 2

[RCW 51.08.178\(2\)](#)

In order for a worker’s wage to be computed under subsection 2, the worker’s relationship to the employer of injury must be exclusively seasonal in nature, or the worker’s current employment or relationship to employment in general must be essentially part-time or intermittent. It is rare for a worker’s wages to be calculated under subsection 2 due to a designation of part-time.

The monthly wage is determined by dividing by 12 the total wages earned, including overtime, from all employment in any 12 successive calendar months preceding the injury. If the 12 months prior to the injury is not representative of the worker’s employment, select a period before the injury or occupation disease that is an appropriate representation.

The department recommends a 3-year work history be obtained from the worker showing all employment prior to the date of injury/occupational disease. The work history should include employer names, dates/periods of employment, and an explanation of any significant gaps in employment. Obtain documentation of gross wages, including overtime, for the entire period covered by the work history. Select a period of 12 consecutive months for averaging wages that fairly represents the worker’s earning history, and explain why that period was chosen.

## Part-Time

Part-time means the worker has **no set schedule or discernible pattern** and the hours spent at that employment are significantly less than the hours typically worked by others in the industry.

### Example:

Charlotte is a retired department store employee. She fills in for employees who are out sick or on vacation when needed. In the twelve months prior to the date of her injury, she grossed a total of \$3,235.00 from all employment.

$$\$3,235.00 \div 12 \text{ (months)} = \$269.58 \text{ (gross monthly wage)}$$

Fill in this section of the [SIF-5A](#) (page 7) form:

<p><b>Use this subsection ONLY for injured workers with a seasonal or intermittent schedule.</b>          The monthly wage for seasonal/intermittent injured workers is determined by dividing by 12 the total wages paid to the worker - including overtime, but excluding bonuses - from all employment in any 12 successive calendar months preceding the injury. <b>Check the appropriate box to indicate that you have:</b></p> <p><input type="checkbox"/> Sent a written request to the worker for all wages from all employment, including overtime, from 12 successive months preceding the date of injury, and have not received a response, OR</p> <p><input type="checkbox"/> Sent a written request to the worker for all wages from all employment, including overtime, from 12 successive months preceding the date of injury, and have included it in the wage calculation.</p>		
<p><b>Period used for averaging wages:</b></p> <p>From: 2/1/2012 To: 1/31/2013</p> <p>Why was this period chosen?          It fairly represents the worker's pattern of employment. During 2013 she was off work due to an unrelated medical condition for 6 months and not available for work, so that period would not be appropriate.</p>		
<p>Total wages include all monies paid to the worker during the period chosen, including wages for any additional jobs. (Exclude bonuses – Complete the "Bonuses - RCW 51.08.178(3)" worksheet if the worker received any bonuses.)</p>	$\frac{\$3,235.00}{12} = \$269.58$ <p>Total Wages                      Months                      Monthly Wage</p>	

## Intermittent

A worker's employment is intermittent when the pattern is not regular or continuous and has definite starting and stopping points.

### Example:

Colleen is a college student who works at a retail store during spring and winter break; she has no other employment. In the twelve months prior to the date of her injury, she earned a total of \$7,356.00 from all employment.

$$\$7,356.00 \div 12 \text{ (months)} = \$613.00 \text{ (gross monthly wage)}$$

Fill in this section of the SIF-5A form (page 7):

**Use this subsection ONLY for injured workers with a seasonal or intermittent schedule.**  
The monthly wage for seasonal/intermittent injured workers is determined by dividing by 12 the total wages paid to the worker - including overtime, but excluding bonuses - from all employment in any 12 successive calendar months preceding the injury. **Check the appropriate box to indicate that you have:**

Sent a written request to the worker for all wages from all employment, including overtime, from 12 successive months preceding the date of injury, and have not received a response, OR

Sent a written request to the worker for all wages from all employment, including overtime, from 12 successive months preceding the date of injury, and have included it in the wage calculation.

---

**Period used for averaging wages:**

From: 4/15/2012 To: 4/14/2013

Why was this period chosen?  
It is representative of her employment for the past 2 years while she has been working here and going to college.

---

<i>Total wages include all monies paid to the worker during the period chosen, including wages for any additional jobs. (Exclude bonuses – Complete the “Bonuses - RCW 51.08.178(3)” worksheet if the worker received any bonuses.)</i>	\$7,356.00	÷	12	=	<b>\$613.00</b>
	<i>Total Wages</i>		<i>Months</i>		<i>Monthly Wage</i>

Employers should review a worker’s intent to work when determining if the worker is part-time or intermittent. Their work pattern may appear irregular or non-continuous; however, if their intent was to secure full-time employment throughout the year, they are not an intermittent worker, and wages should be calculated under subsection 1. This often applies to union members, such as construction workers, because their work is interrupted only by job completion and unavoidable layoffs.

In the Supreme Court case *Dept. of L&I v. Avundes*, the Supreme Court held that Avundes was **not** an essentially part-time or intermittent employee, finding instead that he did general farm work and that such work was generally available during all seasons. Though his work history reflected an intermittent pattern (19 jobs in 14 months), Mr. Avundes was either working or looking for work, and it was his intent to secure full-time employment throughout the year.

The Court concluded that a worker should not be penalized because prior employment was irregular or not continuous. They stated, “...There is no logical reason why a claimant should be penalized solely because his prior employment was irregular or uncontinuous. Such a rule would be unfair to an employee who had worked a series of jobs before being injured, and it would shift the analysis away from the proper focus on the injured worker’s lost earning capacity...” “... Avundes’ intent was to work full-time and Avundes’ work history showed a consistent pattern of working or looking for work...” “... We find the Court of Appeals correctly concluded subsection (1) applies to Avundes in determining his workers’ compensation benefits.”

## H-2A Visa Workers

Many workers in Washington that are hired under an H-2A visa may work year-round in both the U.S. and in their home country. An H-2A visa is a sort of contract between a specific Washington state employer, the worker, and the federal government, which allows non-immigrant workers to work in the U.S. for a limited time for that employer.

If an injured H-2A visa worker can show through documentation or a detailed declaration that their relationship to employment is regular and continuous (as in the *Avundes* case above), then that worker's wages would be calculated under subsection 1, not subsection 2.

If actual documentation of the worker's earning pattern outside of their H-2A work with the employer of injury is not available, a simple statement that the worker did work or intended to work is not sufficient to support a 'regular and continuous' work pattern. The worker at a minimum must be able to provide a signed declaration that describes:

- Specific employers they worked for in the last 12 months before the date of injury,
- What they were paid, how often, and at what rate,
- Actual dates they worked from and to,
- Their work schedule including typical days and hours.

The worker's wages would be calculated as regular and continuous, following the information in subsection 1 of the RCW. The representative period should be the entire H-2A contract period, up to one year prior to the date of injury.

Other compensation such as housing and actual meals that part of the H-2A contract should have its monthly value calculated and included as 'Other Compensation' on the SIF-5A, whether the worker is calculated under subsection 1 or subsection 2.

## School District Employees

School district employees whose contracts are for working less than year-round should have their wages calculated under subsection 2 as intermittent, because they have definite starting and stopping points (*School District No. 401 v. Minturn*). However, if the employee performs work year-round, such as maintenance work, wages should be calculated under subsection 1.

## Seasonal

When determining whether a worker is seasonal, consider the worker's relationship to the employer. Exclusively seasonal means that the work the worker was hired to perform a job that can only be carried out during a particular time of year.

### Example:

Tyler was injured harvesting apples for a farm. Harvesting apples was the only work he was hired to do by that farm. In the 12 months prior to the date of his injury, he grossed a total of \$19,543.00 from all employment.

$$\$19,543.00 \div 12 \text{ (months)} = \$1,628.58 \text{ (gross monthly wage)}$$

Fill in this section of the [SIF-5A](#) form (page 7):

<p><b>Use this subsection ONLY for injured workers with a seasonal or intermittent schedule.</b>          The monthly wage for seasonal/intermittent injured workers is determined by dividing by 12 the total wages paid to the worker - including overtime, but excluding bonuses - from all employment in any 12 successive calendar months preceding the injury. <b>Check the appropriate box to indicate that you have:</b></p> <p><input type="checkbox"/> Sent a written request to the worker for all wages from all employment, including overtime, from 12 successive months preceding the date of injury, and have not received a response, OR</p> <p><input type="checkbox"/> Sent a written request to the worker for all wages from all employment, including overtime, from 12 successive months preceding the date of injury, and have included it in the wage calculation.</p>		
<p><b>Period used for averaging wages:</b></p> <p>From: 8/1/2011 To: 7/31/2012</p> <p>Why was this period chosen?          It is the period immediately prior to the date of injury and seems to reflect his work pattern for the past 3 years based on his work history.</p>		
<p>Total wages include all monies paid to the worker during the period chosen, including wages for any additional jobs. (Exclude bonuses – Complete the “Bonuses - RCW 51.08.178(3)” worksheet if the worker received any bonuses.)</p>	$\frac{\$19,543.00}{12} = \$1,628.58$ <p>Total Wages      Months      Monthly Wage</p>	

**Note:** If Tyler had been injured harvesting apples, yet he also worked for the farm throughout the year performing general farm labor, his relationship to the employer would not be seasonal and his wages would be calculated under subsection 1. (See *Double D Hop Ranch v. Sanchez.*)

## Calculating Wages under Subsection 4

[RCW 51.08.178\(4\)](#)

### “Like” Employees

Like wages are used when the wage is not fixed or cannot be fairly determined. If a worker has a contract of hire, the contract of hire should be used.

If a worker does not have a regular, set schedule and has not worked long enough to establish a pattern, the monthly wage shall be computed on the basis of the usual wage paid other employees engaged in “like” or similar occupations where the wages are fixed.

Review more than one “like” employee to ensure a fair representation of the employee’s wage. (It is recommend that at least 3 individual “like” employees are reviewed.) Use a similar time period for each employee reviewed.

**Example:**

Conner started working as a bagger for a grocery store on June 2<sup>nd</sup>. He was told he would be earning \$11.35 per hour and his days and hours would vary depending on store need. On June 10<sup>th</sup>, he slipped on a wet floor, falling and breaking his leg.

To determine the gross monthly wage, review the pattern of employment for other “like” employees. There are several baggers working for the same store; pick 3 that were hired to work schedules similar to Conner.

After reviewing payroll records, it was determined that the 3 consecutive months prior to Conner’s date of injury were a fair representation of the work pattern. In those 3 months:

- “Like” employee #1 worked 288 hours.
- “Like” employee #2 worked 294 hours.
- “Like” employee #3 worked 301 hours.

Choose one of the “like” employees. In this case, #2 is appropriate since it appears that there is not a large discrepancy between the hours and is likely a good representation of the hours Conner would be working.

Fill in this section of the [SIF-5A](#) form (page 9):

Use this subsection to calculate the monthly wage where a wage has not been fixed or cannot be reasonably and fairly determined. The wage will be calculated on the basis of the usual wage paid other employees engaged in like or similar occupations where the wages are fixed.

Review more than 1 "like" employee to ensure a fair representation of the injured worker's wage. (We recommend you review at least 3 individual "like" employees.) Use a similar time period for each employee reviewed.

Explain why the injured worker's wages cannot be reasonably and fairly determined based on their own employment record:

Conner was hired to work a varied schedule and had only been working a few days when he was injured.

For each "like" employee reviewed, provide the "like" employee's job title. For privacy, don't include the "like" employees' names:

"Like" Employee #1's Job Title:	Grocery store bagger
"Like" Employee #2's Job Title:	Grocery store bagger
"Like" Employee #3's Job Title:	Grocery store bagger

For each "like" employee above, complete and attach the appropriate Wage Calculation Form(s) and the Total Monthly Wage Summary form, using the "like" employee's employment pattern.

Which "like" employee has been chosen as the basis for the employee's monthly wage?

#2

Why did you choose this "like" employee?

There was not a large discrepancy between the hours of the three. #2 was in the middle and is likely a good representation of the hours Conner would have been working.

The calculation sheets must also be submitted for all of the "like" employees.



Injured Worker Name: Like employee #1	Claim Number: 0	Date of Injury: 1/0/1900
---------------------------------------	-----------------	--------------------------

**Representative Period Used for Averaging Hours - Only Required When Averaging Hours**

Use 3 month default period, unless a different period better represents the employment pattern. For example, gaps, new job/schedule, or leave without pay may require use of longer or shorter representative periods.	From: 3/3/2013	To: 6/1/2013
	Reason the representative period was chosen:	
	<input checked="" type="checkbox"/> 3 months* immediately prior to injury (default)	
	<input type="checkbox"/> 6 months immediately prior to the injury (for bi-weekly payroll, use 13 full pay periods)	
<input type="checkbox"/> 12 months immediately prior to the injury (when 3 months doesn't fairly represent the employment pattern)		
<input type="checkbox"/> Other period. Explain:		

- \*When using a 3 month representative period, use the following number of pay periods:
- For monthly payroll, use 3 full pay periods.
  - For semi-monthly payroll, use 6 full pay periods.
  - For bi-weekly payroll, use 6.5 pay periods.
  - For weekly payroll, use 13 full pay periods.

**Averaging Hours Per Day (for daily wage - when hours vary but there is only one rate of pay)**

<p><b>If Hourly:</b> Use this method when the number of days worked per week does not vary, but the number of hours worked per day does vary.</p> <ul style="list-style-type: none"> <li>• Include overtime hours at the regular rate of pay.</li> <li>• Include paid Vacation, Sick Leave, Holiday, Comp Time Earned and any paid leave.</li> <li>• Do not include Comp Time Taken or leave without pay hours.</li> </ul> <p>Note: Time ½ &amp; Double-time may be separated rates of pay if earned outside normal overtime rules.</p> <p><b>If Salaried/Regularly Scheduled:</b> Use to calculate overtime the same number of days per week.</p> <ul style="list-style-type: none"> <li>• Deduct Comp Time Taken from total overtime hours.</li> </ul>	Number of days worked per week:			<p>Use two decimal points when calculating average hours per day.</p> <p>Rounding: Numbers ending in 0-4 should be rounded down. Numbers ending in 5-9 should be rounded up.</p>
	$\frac{\text{Total hours worked in the period}}{\text{\# of days worked in the period}} = \frac{0.1}{0.00}$			
	$\frac{\text{Hourly Rate}}{\text{Average hours per day}} \times \frac{0.00}{\text{\# Days per month}} = \frac{\$0.00}{\text{Monthly Wage}}$			

\*Days per month are defined by law and are based on the number of days worked per week.

Days worked per week	Days per month
1	5
2	9
3	13
4	18
5	22
6	26
7	30

**Averaging Hours Per Month (for monthly wage)**

<p><b>If Hourly:</b> Use this method when the number of days worked per week varies, but the worker is paid at only one rate of pay.</p> <p><b>If Salaried/Regularly Scheduled:</b> Use to calculate overtime when worked at no set pattern.</p> <p>*See above section for hour details*</p>	$\frac{288}{3} = 96.00$	$\times$	$\frac{\$11.35}{\text{Hourly Rate}}$	$=$	$\frac{\$1,089.60}{\text{Monthly Wage}}$
	$\frac{\text{Total hours worked in the period}}{\text{\# of months in period}} = \frac{96.00}{\text{Average hours per month}}$				

Injured Worker Name: Like employee #2	Claim Number: 0	Date of Injury: 1/0/1900
---------------------------------------	-----------------	--------------------------

**Representative Period Used for Averaging Hours - Only Required When Averaging Hours**

Use 3 month default period, unless a different period better represents the employment pattern. For example, gaps, new job/schedule, or leave without pay may require use of longer or shorter representative periods.	From: 3/3/2013	To: 6/1/2013
	Reason the representative period was chosen:	
	<input checked="" type="checkbox"/> 3 months* immediately prior to injury (default)	
	<input type="checkbox"/> 6 months immediately prior to the injury (for bi-weekly payroll, use 13 full pay periods)	
<input type="checkbox"/> 12 months immediately prior to the injury (when 3 months doesn't fairly represent the employment pattern)		
<input type="checkbox"/> Other period. Explain:		

- \*When using a 3 month representative period, use the following number of pay periods:
- For monthly payroll, use 3 full pay periods.
  - For semi-monthly payroll, use 6 full pay periods.
  - For bi-weekly payroll, use 6.5 pay periods.
  - For weekly payroll, use 13 full pay periods.

**Averaging Hours Per Day (for daily wage - when hours vary but there is only one rate of pay)**

<p><b>If Hourly:</b> Use this method when the number of days worked per week does not vary, but the number of hours worked per day does vary.</p> <ul style="list-style-type: none"> <li>• Include overtime hours at the regular rate of pay.</li> <li>• Include paid Vacation, Sick Leave, Holiday, Comp Time Earned and any paid leave.</li> <li>• Do not include Comp Time Taken or leave without pay hours.</li> </ul> <p>Note: Time ½ &amp; Double-time may be separated rates of pay if earned outside normal overtime rules.</p> <p><b>If Salaried/Regularly Scheduled:</b> Use to calculate overtime the same number of days per week.</p> <ul style="list-style-type: none"> <li>• Deduct Comp Time Taken from total overtime hours.</li> </ul>	Number of days worked per week:			<p>Use two decimal points when calculating average hours per day.</p> <p>Rounding: Numbers ending in 0-4 should be rounded down. Numbers ending in 5-9 should be rounded up.</p>	
	$\frac{\quad}{\quad} \div \frac{\quad}{0.1} = \frac{\quad}{0.00}$				
	Total hours worked in the period	# of days worked in the period	Average hours per day		
	$\frac{\quad}{\quad} \times \frac{\quad}{0.00} \times \frac{\quad}{\quad} = \frac{\quad}{\$0.00}$				
Hourly Rate	Average hours per day	*Days per month	Monthly Wage		

\*Days per month are defined by law and are based on the number of days worked per week.

Days worked per week	Days per month
1	5
2	9
3	13
4	18
5	22
6	26
7	30

**Averaging Hours Per Month (for monthly wage)**

<p><b>If Hourly:</b> Use this method when the number of days worked per week varies, but the worker is paid at only one rate of pay.</p> <p><b>If Salaried/Regularly Scheduled:</b> Use to calculate overtime when worked at no set pattern.</p> <p>*See above section for hour details*</p>	$\frac{294}{\quad} \div \frac{\quad}{3} = \frac{98.00}{\quad} \times \frac{\$11.35}{\quad} = \frac{\$1,112.30}{\quad}$				
	Total hours worked in the period	# of months in period	Average hours per month	Hourly Rate	
					Monthly Wage

Injured Worker Name: Like employee #3	Claim Number: 0	Date of Injury: 1/0/1900
---------------------------------------	-----------------	--------------------------

**Representative Period Used for Averaging Hours - Only Required When Averaging Hours**

<i>Use 3 month default period, unless a different period better represents the employment pattern. For example, gaps, new job/schedule, or leave without pay may require use of longer or shorter representative periods.</i>	From: 3/3/2013	To: 6/1/2013
	Reason the representative period was chosen:	
	<input checked="" type="checkbox"/> 3 months* immediately prior to injury (default)	
	<input type="checkbox"/> 6 months immediately prior to the injury (for bi-weekly payroll, use 13 full pay periods)	
<input type="checkbox"/> 12 months immediately prior to the injury (when 3 months doesn't fairly represent the employment pattern)		
<input type="checkbox"/> Other period. Explain:		

- \*When using a 3 month representative period, use the following number of pay periods:
- For monthly payroll, use 3 full pay periods.
  - For semi-monthly payroll, use 6 full pay periods.
  - For bi-weekly payroll, use 6.5 pay periods.
  - For weekly payroll, use 13 full pay periods.

**Averaging Hours Per Day (for daily wage - when hours vary but there is only one rate of pay)**

<b>If Hourly:</b> <i>Use this method when the number of days worked per week does not vary, but the number of hours worked per day does vary.</i> <ul style="list-style-type: none"> <li>• Include overtime hours at the regular rate of pay.</li> <li>• Include paid Vacation, Sick Leave, Holiday, Comp Time Earned and any paid leave.</li> <li>• Do not include Comp Time Taken or leave without pay hours.</li> </ul> <i>Note: Time ½ &amp; Double-time may be separated rates of pay if earned outside normal overtime rules.</i> <b>If Salaried/Regularly Scheduled:</b> <i>Use to calculate overtime the same number of days per week.</i> <ul style="list-style-type: none"> <li>• Deduct Comp Time Taken from total overtime hours.</li> </ul>	Number of days worked per week:					
		÷	0.1	=	0.00	<i>Use two decimal points when calculating average hours per day.</i>
	<i>Total hours worked in the period</i>		<i># of days worked in the period</i>		<i>Average hours per day</i>	<i>Rounding: Numbers ending in 0-4 should be rounded down. Numbers ending in 5-9 should be rounded up.</i>
		x	0.00	x		
	<i>Hourly Rate</i>		<i>Average hours per day</i>		<i>*Days per month</i>	<i>Monthly Wage</i>
*Days per month are defined by law and are based on the number of days worked per week.						
	<b>Days worked per week</b>	<b>Days per month</b>				
	1	5				
	2	9				
	3	13				
	4	18				
	5	22				
	6	26				
	7	30				

**Averaging Hours Per Month (for monthly wage)**

<b>If Hourly:</b> <i>Use this method when the number of days worked per week varies, but the worker is paid at only one rate of pay.</i> <b>If Salaried/Regularly Scheduled:</b> <i>Use to calculate overtime when worked at no set pattern.</i> <p>*See above section for hour details*</p>	301	÷	3	=	100.33	x	\$11.35	=	\$1,138.75
	<i>Total hours worked in the period</i>		<i># of months in period</i>		<i>Average hours per month</i>		<i>Hourly Rate</i>		<i>Monthly Wage</i>

## Health Care Benefits

[RCW 51.08.178](#), [WAC 296-14-524](#), [WAC 296-14-528](#)

In the *Cockle v. Dept. of L&I* decision, the Supreme Court held that the value of employer-provided health care benefits is another type of compensation which must be included when computing wages. The amount of the employer's actual contribution on the date of injury to medical, dental, and/or vision coverage for the worker and all other persons covered on the worker's policy must be included.

For any benefit period that the employer continues their contribution toward health care benefits at the same rate as they did on the date of injury, the contribution amount will not be included in the calculation for gross monthly wages when paying time-loss benefits. When the employer stops contributing towards health care benefits, the amount of the employer contribution should be included in the gross monthly wage, even if the worker has not lost health care coverage due to a banked hours system, family medical leave act, etc. (*Dept. of L&I v. Granger*).

### **Example:**

Anthony was injured on October 21, 2010; he was off work from the date of injury through December 15, 2010. At the time of his injury, he was earning \$4,800.00 per month and his employer was contributing \$620.00 per month towards his health care benefits. The employer did not contribute to his union health care benefits after the date of injury, but due to his banked hours, he never lost access his health care benefits. Since his employer stopped their contributions to his health care benefits immediately, his gross monthly wage for his time-loss calculation for the day after the injury would be \$5,420.00 (\$4,800.00 + \$620.00).

The monthly amount of an employer's contribution to health care benefits is determined by whether the employer pays:

- A set amount for the month, or
- An hourly contribution for hours worked.

### **Example:**

If the employer contributes \$3.50 per hour to a union health care benefit, and the worker averaged 196 hours per month during the representative period, the health care benefit would be calculated as follows: 196 hours x \$3.50 per hour = \$686.00 per month

Employers who contribute to health care benefits for their workers are required to calculate two gross monthly wages on each claim: one wage that includes the value of the employer's contribution to health care benefits, and one that does not.

### **Example:**

Angela is a supervisor with a monthly salary of \$3,800.00. In addition to her salary, her employer contributes \$300.00 per month for medical, dental, and vision coverage for Angela and her family.

Gross monthly wage at the time of injury:

**Excluding** the value of health care benefits: \$3,800.00

(This is the gross monthly wage which will be used as long as the employer continues to contribute to health care benefits.)

**Including** the value of health care benefits:  $\$3,800.00 + \$300.00 = \$4,100.00$

(This is the gross monthly wage which will be used if the employer stops contributing to health care benefits.)

If an employer stops contributing to different benefits at different times, then it will be necessary to compute more than two wages. For example, if the employer stops contributing towards dental but continues their contribution for medical benefits, at that point the value of the dental contribution would be included as part of the gross monthly wage. If the employer later ceases to contribute towards medical benefits, the value of that contribution would then be included into the gross monthly wage also.

**Example:**

Shayla is a secretary with a monthly salary of \$4,200.00. In addition to her salary, the employer contributes \$250.00 per month for medical and \$100.00 per month for dental coverage for Shayla and her family.

Gross monthly wage at the time of injury:

**Excluding** the value of health and dental care: \$4,200.00

(This is the gross monthly wage which will be used as long as the employer continues to contribute to health and dental benefits.)

**Including** the value of dental benefits:  $\$4,200.00 + \$100.00 = \$4,300.00$

(This is the gross monthly wage which will be used if the employer stops contributing to dental benefits but continues to contribute to health care benefits.)

**Including** the value of dental and health care benefits:

$\$4,200.00 + \$250.00 + 100.00 = \$4,550.00$

(This is the gross monthly wage which will be used if the employer stops contributing to dental and health benefits.)

## Computing Bonuses – Subsection 3

[RCW 51.08.178\(3\)](#), [WAC 296-14-522](#)

A bonus is a sum paid for services in addition to or in excess of what the worker would normally do as part of their contract of hire, or as payment for work such ‘above and beyond’ work performance.

Bonuses paid by the **employer of injury** are included in the calculation of wages if they were received by the worker in the 12 months immediately preceding the date of injury or manifestation. The monthly value of the bonus is calculated by dividing all bonuses paid during that period by 12.

### Example:

Shane works for an airplane manufacturing company. He sustains an injury on January 8<sup>th</sup>. In the previous month, Shane had received a \$7,800.00 year-end production bonus.

$$\$7,800.00 \text{ (bonus)} \div 12 \text{ months} = \$650.00 \text{ (average monthly value of bonus)}$$

Fill in this section of the [SIF-5A](#) form (page 8):

Use this subsection if the injured worker received any bonuses in the 12 months prior to the date of injury.	
"Bonuses" include any additional monetary payment in relation to the worker's contribution to the employer.	
Bonuses may include incentive pay, safety bonuses, anniversary pay, and more.	
What was the amount of total bonuses?	What kind of bonus was it (incentive pay, safety bonus, etc.)?
\$7,800.00	Year-end production bonus
$\frac{\$7,800.00}{12 \text{ Months}} = \$650.00$	
Total bonus amount in last 12 months	Monthly Value of Bonuses

## Bonus and Lump Sum Classification Matrix

A ‘Lump Sum’ payment in a worker’s payroll record is a payment to the worker that is not derived from a rate and hour calculation. It is typically listed as a dollar amount and a description only in the payroll record. Such a payment may be a bonus, or other compensation. In some cases, it may not be included in wage calculations at all.

[The Lump Sum Classification Matrix](#) found in the Claims Management Tools page on the department's website will help you determine whether to include a 'Lump Sum' payment as part of the worker's date of injury wages. It will also help you determine whether an included 'Lump Sum' payment should be classified as a [Bonus under RCW 51.08.178\(3\)](#), or as ['Other Compensation'](#).

## Wage Calculation Examples

### Example 1:

On April 5, 2013, Colby injured his back lifting a computer at work. At the time of his injury, he was working 8 hours per day, Monday through Friday, and earning \$27.50 per hour. He also had a part-time job on the weekend earning \$400.00 per month. His employer contributed \$525.00 per month to his health care benefits. He was married and had 2 dependents under the age of 18.





**Total Monthly Wage Calculations  
 SIF-5A Form**

Wage calculation cover sheet: Use applicable following subsections to autofill parts of this summary form.

<b>Injured Worker Name:</b>	Colby	<b>Claim Number:</b>	S123456		
<b>Date of Injury:</b>	4/5/2013	<b>Employer Name:</b>	Helpful Hints Computer Tips		
<b>Date Form(s) Completed:</b>	4/15/2013				
<b>Prepared By:</b>	Cathy, Claim Manager	<b>Preparer Phone:</b>	360-555-5555	<b>Ext.</b>	450

**Wage Order**  
 Are you requesting a wage order at this time?  Yes  No

**Bonuses**  
*If the injured worker received any bonuses, go to the Bonuses - RCW 51.08.178(3) worksheet to complete this section.*  
 Monthly Value of Bonuses: \$0.00

**Health Care Benefits**  
*Complete this section if the employer contributed at the time of injury.*

Monthly contribution to <b>medical</b> benefits:	\$525.00	Date contribution has/will end:	12/31/2013
Monthly contribution to <b>dental</b> benefits:		Date contribution has/will end:	
Monthly contribution to <b>vision</b> benefits:		Date contribution has/will end:	
<b>Monthly contribution to health care benefits:</b>	\$525.00		

**Other Compensation**  
*Enter the monthly value for any type of compensation the injured worker may have received in addition to hourly wages or health care benefits.*

Tips/Gratuities:	Driver Mileage:
Housing/Board:	Equipment/Clothing:
Fuel:	Driver pickup/delivery:
Commission:	Piecework:
Transportation:	Other (explain below):
Description of "other" wages:	
<b>Total monthly value of other compensation:</b> \$0.00	

**Additional Jobs (Other Employers) - for Regular and Continuous Employment RCW 51.08.178(1) only**

Did the injured worker have more than one paying job at the time of injury?  Yes  No

**If yes, complete the appropriate worksheet(s) for each job.**

<i>Include wages from all other employers at the time of injury.</i>	\$400.00 + _____ + _____ = \$400.00			
	<i>Monthly wage, additional</i>	<i>Monthly wage, additional</i>	<i>Monthly wage, additional</i>	<i>Monthly wage for all additional jobs</i>
	<i>Employer #1:</i>	<i>Employer #2:</i>	<i>Employer #3:</i>	
	C&C Landscaping	(Enter Name)	(Enter Name)	

**Total Monthly Wage - (this is the basis for worker's compensation payment; it is not the benefit amount.)**

\$4,840.00	+	\$0.00	+	\$0.00	+	\$400.00	=	\$5,240.00	+	\$525.00	=	\$5,765.00
Monthly Wage for Job of Injury		Monthly Value of Bonuses		Monthly Value of Other Compensation		Monthly Wage for All Additional Jobs		Sub - Total of Monthly Wage		Monthly Value of Health Care Benefits		TOTAL MONTHLY WAGE



Time-Loss Compensation Rate Calculation										
Date of Injury: 4/5/2013										
Marital/Domestic Partnership and Dependent status at date of injury: <input type="checkbox"/> Single, Divorced or Widowed <input checked="" type="checkbox"/> Married, Separated or Domestic Partnership										
Number of eligible dependents on date of injury: 2										
<b>Time-Loss Compensation Rate, Excluding Health Care Benefits</b>  This rate will apply while the employer(s) continues to contribute to health care benefits.	\$5,240.00	x	69%	=	\$3,615.60	÷	30	=	\$120.52	
	Sub - Total of Monthly Wage		% based on marital/dependent status		*Monthly TL Compensation Rate		Days per month		*Daily TL Compensation Rate	
	*The monthly/daily rate must never exceed the maximum or fall below the minimum rates allowed by law (RCW 51.32.090).									
	Does the rate above exceed the maximum? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Does the rate above fall below the minimum? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No									
If yes, what is the maximum (or minimum) daily rate?										
<b>Time-Loss Compensation Rate, Including Health Care Benefits</b>  This rate will apply when the employer(s) stops contributing to the health care benefits.	\$5,765.00	x	69%	=	\$3,977.85	÷	30	=	\$132.60	
	Total Monthly Wage		% based on marital / dependents status		*Monthly TL Compensation Rate		Days per month		*Daily TL Compensation Rate	
	*The monthly/daily rate must never exceed the maximum or fall below the minimum rates allowed by law (RCW 51.32.090).									
	Does the rate above exceed the maximum? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Does the rate above fall below the minimum? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No									
If yes, what is the maximum (or minimum) daily rate?										
The rates above are based on earnings on the date of injury/manifestation and may increase or decrease. Examples could include: <ul style="list-style-type: none"> <li>• Dependent Status</li> <li>• Cost of Living Adjustments</li> <li>• Health Care Benefit Changes</li> </ul>										

Injured Worker Name	Colby	Claim Number:	S123456	Date of Injury:	4/5/2013
---------------------	-------	---------------	---------	-----------------	----------

To get started: Determine the appropriate employment pattern for the injured worker, and then complete one of the following worksheets:

- Regular and Continuous Employment - RCW 51.08.178(1) *Default Category*
- Seasonal or Intermittent Employment - RCW 51.08.178(2)
- "Like" or Similar Employment - RCW 51.08.178(4)

Choose the method that most closely represents the employment pattern for the injured worker, and attach the corresponding payroll documentation.

### Salaried Employee

Use this method when the injured worker earns a fixed monthly salary.	Monthly Salary = _____
	<b>Monthly Wage</b>
Overtime hours should be calculated separately using averaging of hours.	

### Regularly Scheduled Hourly Employee - Including Minor Variations

Use this method when:	Number of days worked per week:																
	$\frac{\$27.50}{\text{Hourly Rate}} \times \frac{8}{\text{Hours per day}} \times \frac{22}{\text{*Days per month}} = \frac{\$4,840.00}{\text{Monthly Wage}}$																
<ul style="list-style-type: none"> <li>• The injured worker had only one rate of pay, and</li> <li>• Worked a regular schedule (can include a minor variation).</li> </ul>																	
To determine if the regular schedule had a minor variation, complete the "Calculation of Minor Variation for Regularly Scheduled Employee - One Rate of Pay" section <b>when the worker is paid at only one rate of pay.</b>	<p>*Days per month are defined by law and are based on the number of days worked per week.</p> <table border="1"> <thead> <tr> <th>Days worked per week</th> <th>Days per month</th> </tr> </thead> <tbody> <tr><td>1</td><td>5</td></tr> <tr><td>2</td><td>9</td></tr> <tr><td>3</td><td>13</td></tr> <tr><td>4</td><td>18</td></tr> <tr><td>5</td><td>22</td></tr> <tr><td>6</td><td>26</td></tr> <tr><td>7</td><td>30</td></tr> </tbody> </table>	Days worked per week	Days per month	1	5	2	9	3	13	4	18	5	22	6	26	7	30
Days worked per week	Days per month																
1	5																
2	9																
3	13																
4	18																
5	22																
6	26																
7	30																
If the injured worker worked a varying number of days per week or received multiple rates of pay, go to the "Representative Period Used for Averaging Hours" section.	<p>"Regularly scheduled" means the injured worker works the same schedule on each day of the week, all the time, or works the same number of hours per day and days per week in a regular pattern.</p> <p>Overtime hours should be calculated separately using averaging of hours.</p>																

For any additional jobs, a wage calculation on the appropriate section of a **separate SIF-5A** form should be completed. The full SIF-5A is not required for the additional job; only complete the portion used to calculate the wages. For this example, Colby's hours and days varied during the month for his other job. He worked 96 hours in the representative period. His wages for that job were calculated using the "Averaging Hours Per Month" section, and the representative period was 3 months prior to the injury.

<b>Representative Period Used for Averaging Hours - Only Required When Averaging Hours</b>																																									
Use 3 month default period, unless a different period better represents the employment pattern. For example, gaps, new job/schedule, or leave without pay may require use of longer or shorter representative periods.	From: 1/1/2013 To: 3/31/2013																																								
	Reason the representative period was chosen:																																								
	<input checked="" type="checkbox"/> 3 months* immediately prior to injury (default)																																								
	<input type="checkbox"/> 6 months immediately prior to the injury (for bi-weekly payroll, use 13 full pay periods)																																								
	<input type="checkbox"/> 12 months immediately prior to the injury (when 3 months doesn't fairly represent the employment pattern)																																								
	<input type="checkbox"/> Other period. Explain:																																								
<p>*When using a 3 month representative period, use the following number of pay periods:</p> <ul style="list-style-type: none"> <li>• For monthly payroll, use 3 full pay periods.</li> <li>• For semi-monthly payroll, use 6 full pay periods.</li> <li>• For bi-weekly payroll, use 6.5 pay periods.</li> <li>• For weekly payroll, use 13 full pay periods.</li> </ul>																																									
<b>Averaging Hours Per Day (for daily wage - when hours vary but there is only one rate of pay)</b>																																									
<p><b>If Hourly:</b> Use this method when the number of days worked per week does not vary, but the number of hours worked per day does vary.</p> <ul style="list-style-type: none"> <li>• Include overtime hours at the regular rate of pay.</li> <li>• Include paid Vacation, Sick Leave, Holiday, Comp Time Earned and any paid leave.</li> <li>• Do not include Comp Time Taken or leave without pay hours.</li> </ul> <p>Note: Time 1/2 &amp; Double-time may be separated rates of pay if earned outside normal overtime rules.</p> <p><b>If Salaried/Regularly Scheduled:</b> Use to calculate overtime the same number of days per week.</p> <ul style="list-style-type: none"> <li>• Deduct Comp Time Taken from total overtime hours.</li> </ul>	<p>Number of days worked per week:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;"></td> <td style="text-align: center;">÷</td> <td style="width: 20%; text-align: center;">0.01</td> <td style="text-align: center;">=</td> <td style="width: 20%; text-align: center;">0.00</td> <td style="width: 20%;"></td> </tr> <tr> <td style="font-size: small;">Total hours worked in the period</td> <td></td> <td style="font-size: small;"># of days worked in the period</td> <td></td> <td style="font-size: small;">Average hours per day</td> <td style="font-size: small;">Use two decimal points when calculating average hours per day.</td> </tr> <tr> <td style="font-size: small;">Hourly Rate</td> <td style="text-align: center;">x</td> <td style="text-align: center;">0.00</td> <td style="text-align: center;">x</td> <td style="text-align: center;">=</td> <td style="text-align: center;">\$0.00</td> </tr> <tr> <td></td> <td></td> <td style="font-size: small;">Average hours per day</td> <td></td> <td style="font-size: small;">*Days per month</td> <td style="font-size: small;">Monthly Wage</td> </tr> </table> <p style="font-size: small;">*Days per month are defined by law and are based on the number of days worked per week.</p> <table border="1" style="width: 100%; border-collapse: collapse; font-size: x-small;"> <thead> <tr> <th style="width: 50%;">Days worked per week</th> <th style="width: 50%;">Days per month</th> </tr> </thead> <tbody> <tr><td style="text-align: center;">1</td><td style="text-align: center;">5</td></tr> <tr><td style="text-align: center;">2</td><td style="text-align: center;">9</td></tr> <tr><td style="text-align: center;">3</td><td style="text-align: center;">13</td></tr> <tr><td style="text-align: center;">4</td><td style="text-align: center;">18</td></tr> <tr><td style="text-align: center;">5</td><td style="text-align: center;">22</td></tr> <tr><td style="text-align: center;">6</td><td style="text-align: center;">26</td></tr> <tr><td style="text-align: center;">7</td><td style="text-align: center;">30</td></tr> </tbody> </table> <p style="font-size: small;">Rounding: Numbers ending in 0-4 should be rounded down. Numbers ending in 5-9 should be rounded up.</p>		÷	0.01	=	0.00		Total hours worked in the period		# of days worked in the period		Average hours per day	Use two decimal points when calculating average hours per day.	Hourly Rate	x	0.00	x	=	\$0.00			Average hours per day		*Days per month	Monthly Wage	Days worked per week	Days per month	1	5	2	9	3	13	4	18	5	22	6	26	7	30
		÷	0.01	=	0.00																																				
	Total hours worked in the period		# of days worked in the period		Average hours per day	Use two decimal points when calculating average hours per day.																																			
	Hourly Rate	x	0.00	x	=	\$0.00																																			
		Average hours per day		*Days per month	Monthly Wage																																				
Days worked per week	Days per month																																								
1	5																																								
2	9																																								
3	13																																								
4	18																																								
5	22																																								
6	26																																								
7	30																																								
<b>Averaging Hours Per Month (for monthly wage)</b>																																									
<p><b>If Hourly:</b> Use this method when the number of days worked per week varies, but the worker is paid at only one rate of pay.</p> <p><b>If Salaried/Regularly Scheduled:</b> Use to calculate overtime when worked at no set pattern.</p> <p><i>*See above section for hour</i></p>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%; text-align: center;">96</td> <td style="text-align: center;">÷</td> <td style="width: 20%; text-align: center;">3</td> <td style="text-align: center;">=</td> <td style="width: 20%; text-align: center;">32.00</td> <td style="text-align: center;">x</td> <td style="width: 20%; text-align: center;">\$12.50</td> <td style="text-align: center;">=</td> <td style="text-align: center;">\$400.00</td> </tr> <tr> <td style="font-size: small;">Total hours worked in the period</td> <td></td> <td style="font-size: small;"># of months in period</td> <td></td> <td style="font-size: small;">Average hours per month</td> <td></td> <td style="font-size: small;">Hourly Rate</td> <td></td> <td style="font-size: small;">Monthly Wage</td> </tr> </table>	96	÷	3	=	32.00	x	\$12.50	=	\$400.00	Total hours worked in the period		# of months in period		Average hours per month		Hourly Rate		Monthly Wage																						
	96	÷	3	=	32.00	x	\$12.50	=	\$400.00																																
Total hours worked in the period		# of months in period		Average hours per month		Hourly Rate		Monthly Wage																																	

**Example 2:**

Kristen was injured at work on May 2, 2013. At the time of her injury, she was working 5 days per week, but her hours varied. Her employer contributed \$867.00 per month to her health care benefits. Kristin was single with 3 dependent children under the age of 18. In the 3 months prior to her injury, she worked 546 hours, earning \$22.97 per hour.



**Total Monthly Wage Calculations**  
**SIF-5A Form**

**Wage calculation cover sheet: Use applicable following subsections to autofill parts of this summary form.**

<b>Injured Worker Name:</b>	Kristen	<b>Claim Number:</b>	S123456
<b>Date of Injury:</b>	5/2/2013	<b>Employer Name:</b>	Super Plus Plumbing
<b>Date Form(s) Completed:</b>	5/4/2013		
<b>Prepared By:</b>	Cathy, Claims Manager	<b>Preparer Phone:</b>	360-555-5555 Ext. 250

**Wage Order**  
 Are you requesting a wage order at this time?  Yes  No

**Bonuses**  
*If the injured worker received any bonuses, go to the Bonuses - RCW 51.08.178(3) worksheet to complete this section.*  
**Monthly Value of Bonuses:** \$0.00

**Health Care Benefits**  
*Complete this section if the employer contributed at the time of injury.*

Monthly contribution to <b>medical</b> benefits:	\$867.00	<b>Date contribution has/will end:</b>	5/4/2014
Monthly contribution to <b>dental</b> benefits:		<b>Date contribution has/will end:</b>	
Monthly contribution to <b>vision</b> benefits:		<b>Date contribution has/will end:</b>	
<b>Monthly contribution to health care benefits:</b>	\$867.00		

**Other Compensation**  
*Enter the monthly value for any type of compensation the injured worker may have received in addition to hourly wages or health care benefits.*

Tips/Gratuities:	Driver Mileage:
Housing/Board:	Equipment/Clothing:
Fuel:	Driver pickup/delivery:
Commission:	Piecework:
Transportation:	Other (explain below):
<i>Description of "other" wages:</i>	
<b>Total monthly value of other compensation:</b>	\$0.00

**Additional Jobs (Other Employers) - for Regular and Continuous Employment RCW 51.08.178(1) only**

Did the injured worker have more than one paying job at the time of injury?  Yes  No  
**If yes, complete the appropriate worksheet(s) for each job.**

<i>Include wages from all other employers at the time of injury.</i>	_____ + _____ + _____ = <b>\$0.00</b>		
	<i>Monthly wage, additional</i>	<i>Monthly wage, additional</i>	<i>Monthly wage, additional</i>
	<i>Employer #1:</i>	<i>Employer #2:</i>	<i>Employer #3:</i>
	(Enter Name)	(Enter Name)	(Enter Name)

**Monthly wage for all additional jobs**

**Total Monthly Wage - (this is the basis for worker's compensation payment; it is not the benefit amount.)**

<b>\$4,244.90</b>	+	<b>\$0.00</b>	+	<b>\$0.00</b>	+	<b>\$0.00</b>	=	<b>\$4,244.90</b>	+	<b>\$867.00</b>	=	<b>\$5,111.90</b>
Monthly Wage for Job of Injury		Monthly Value of Bonuses		Monthly Value of Other Compensation		Monthly Wage for All Additional Jobs		Sub - Total of Monthly Wage		Monthly Value of Health Care Benefits		TOTAL MONTHLY WAGE

Time-Loss Compensation Rate Calculation										
Date of Injury: 5/2/2013										
Marital/Domestic Partnership and Dependent status at date of injury: <input checked="" type="checkbox"/> Single, Divorced or Widowed <input type="checkbox"/> Married, Separated or Domestic Partnership										
Number of eligible dependents on date of injury: 3										
<b>Time-Loss Compensation Rate, Excluding Health Care Benefits</b>  This rate will apply while the employer(s) continues to contribute to health care benefits.	$\$4,244.90$	x	$66\%$	=	$\$2,801.63$	÷	$30$	=	$\$93.39$	
	Sub - Total of Monthly Wage		% based on marital/dependent status		*Monthly TL Compensation Rate		Days per month		*Daily TL Compensation Rate	
	*The monthly/daily rate must never exceed the maximum or fall below the minimum rates allowed by law (RCW 51.32.090).									
	Does the rate above exceed the maximum? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Does the rate above fall below the minimum? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No									
If yes, what is the maximum (or minimum) daily rate?										
<b>Time-Loss Compensation Rate, Including Health Care Benefits</b>  This rate will apply when the employer(s) stops contributing to the health care benefits.	$\$5,111.90$	x	$66\%$	=	$\$3,373.85$	÷	$30$	=	$\$112.46$	
	Total Monthly Wage		% based on marital / dependents status		*Monthly TL Compensation Rate		Days per month		*Daily TL Compensation Rate	
	*The monthly/daily rate must never exceed the maximum or fall below the minimum rates allowed by law (RCW 51.32.090).									
	Does the rate above exceed the maximum? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Does the rate above fall below the minimum? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No									
If yes, what is the maximum (or minimum) daily rate?										
The rates above are based on earnings on the date of injury/manifestation and may increase or decrease. Examples could include: <ul style="list-style-type: none"> <li>• Dependent Status</li> <li>• Cost of Living Adjustments</li> <li>• Health Care Benefit Changes</li> </ul>										

**Representative Period Used for Averaging Hours - Only Required When Averaging Hours**

<i>Use 3 month default period, unless a different period better represents the employment pattern. For example, gaps, new job/schedule, or leave without pay may require use of longer or shorter representative periods.</i>	From:	1/27/2013	To:	4/26/2013
	Reason the representative period was chosen:			
	<input checked="" type="checkbox"/>	3 months* immediately prior to injury (default)		
	<input type="checkbox"/>	6 months immediately prior to the injury (for bi-weekly payroll, use 13 full pay periods)		
<input type="checkbox"/>	12 months immediately prior to the injury (when 3 months doesn't fairly represent the employment pattern)			
<input type="checkbox"/>	Other period. Explain:			

\*When using a 3 month representative period, use the following number of pay periods:

- For monthly payroll, use 3 full pay periods.
- For semi-monthly payroll, use 6 full pay periods.
- For bi-weekly payroll, use 6.5 pay periods.
- For weekly payroll, use 13 full pay periods.

**Averaging Hours Per Day (for daily wage - when hours vary but there is only one rate of pay)**

<p><b>If Hourly:</b>  <i>Use this method when the number of days worked per week does not vary, but the number of hours worked per day does vary.</i></p> <ul style="list-style-type: none"> <li>• Include overtime hours at the regular rate of pay.</li> <li>• Include paid Vacation, Sick Leave, Holiday, Comp Time Earned and any paid leave.</li> <li>• Do not include Comp Time Taken or leave without pay hours.</li> </ul> <p><i>Note: Time ½ &amp; Double-time may be separated rates of pay if earned outside normal overtime rules.</i></p> <p><b>If Salaried/Regularly Scheduled:</b>  <i>Use to calculate overtime the same number of days per week.</i></p> <ul style="list-style-type: none"> <li>• Deduct Comp Time Taken from total overtime hours.</li> </ul>	Number of days worked per week:						
	546	÷	65	=	8.40	<i>Use two decimal points when calculating average hours per day.</i>  <i>Rounding:                  Numbers ending in 0-4 should be rounded down.                  Numbers ending in 5-9 should be rounded up.</i>	
	Total hours worked in the period		# of days worked in the period		Average hours per day		
	\$22.97	x	8.40	x	22		=
Hourly Rate		Average hours per day		*Days per month			Monthly Wage
*Days per month are defined by law and are based on the number of days worked per week.							
		<b>Days worked per week</b>	<b>Days per month</b>				
		1	5				
		2	9				
		3	13				
		4	18				
		5	22				
		6	26				
		7	30				