ALASKA WORKERS' COMPENSATION BOARD

P.O. Box 115512 **Juneau, Alaska 99811-5512**

WENDY I. PARSONS, Employee, Claimant, v. ALASKA OCCUPATIONAL AUDIOLOGY & HEALTH, Employer, and TRAVELERS PROPERTY CASUALTY CO. OF AMERICA, Insurer, Defendants.	FINAL DECISION AND ORDER ON RECONSIDERATION AWCB Case No. 202013498 AWCB Decision No. 26-0087 Filed with AWCB Anchorage, Alaska On October 22, 2026

Alaska Occupational Audiology & Health and Travelers Property Casualty Company of America's (Employer) July 9, 2026 petition for a Social Security Disability (SSD) benefit offset was heard on the written record in Anchorage, Alaska, on September 8, 2026, resulting in *Parsons v. Alaska Occupational Audiology & Health*, AWCB Decision No. 26-0077 (September 25, 2026) (*Parsons I*). Employer submitted its timely October 9, 2026 petition for modification, which gave rise to this October 12, 2026 hearing on the written record. Wendy I. Parsons (Employee) represents herself. Certified Legal Assistant Christi C. Neimann represents Employer. The record closed when the panel deliberated on October 12, 2026.

ISSUE

Employer states *Parsons I* correctly ordered an SSD benefits offset. However, Employer contends *Parsons I* is erroneous in multiple ways. Employer asserts the board miscalculated Employee's initial SSD benefits entitlement amount, misstated the periods in which past temporary total disability (TTD) and permanent total disability (PTD) were paid to Employee, incorrectly stated Employer's SSD benefit offset petition did not include a request that the board grant an offset for past PTD benefits, miscalculated the total amount of Employer's overpayment, and miscalculated the rate at which Employer may pay disability benefits after payments are reduced by 20 percent.

Employee did not oppose an SSD offset in *Parsons I*. Employee did, however, contest the compensation rate Employer used to calculate its proposed SSD offset amount. This issue is not relevant to Employer's present petition.

Should *Parsons I* be reconsidered?[1]

FINDINGS OF FACT

The factual findings of *Parsons I* are incorporated by reference, except as discussed herein, and are restated where relevant to Employer's present petition. A preponderance of the evidence establishes the following facts and factual conclusions:

1) Employee began receiving TTD benefits in March of 2021. Her compensation rate was $779.32 based on gross weekly earnings of $1,144.08 and her status as married with no dependents. (Subsequent Report of Injury (SROI), March 20, 2021; ICERS payments screen; ICERS wages screen).

2) On August 6, 2023, the Social Security Administration (SSA) notified Employee that she became entitled to monthly disability benefits in the amount of $1,327.00 beginning January 2022. The SSA found Employee's disability began on March 9, 2021. The SSA paid Employee a lump-sum of $24,047.00 for the 19-month period of January 2022 through July 2023. The SSA then informed Employee she would receive $1,327.00 for August 2023 and would receive

[1] As discussed below, this decision treats Employer's petition as one for reconsideration.

this amount on the fourth Wednesday of each month going forward. (SSA Notice of Award, August 6, 2023).

3) On the second page of Employee's notice of award of SSD benefits, it states Employee's entitlement began January 2022 in the amount of $1,221.60. The notice also states Employee received a cost of living adjustment beginning December 2022 which increased her benefit amount to $1,327.80. (*Id.*).

4) On July 28, 2026, Employee's benefits were changed to permanent total disability (PTD), effective July 7, 2026. Her PTD rate is $779.32 per week. (SROI, July 28, 2026; SROI, August 2, 2026; ICERS payments screen; ICERS wages screen; Affidavit of Travelers Property Causalty Company adjuster Kristy Donovan, August 19, 2026).

5) On July 9, 2026, Employer filed its petition for an SSD benefits offset. On its petition form, it states "the employer and carrier petition the board to grant a Social Security Offset pursuant to AS 23.30.225(b) for past and future disability benefits paid to the employee subsequent to December 31, 2021." Employer's petition includes the following proposed calculation for an SSD benefit offset:

Monthly SSDI Awarded	$1,221.60
Multiplied by	x12
Yearly SSDI	$14,659.20
Yearly SSDI	$14,659.20
Divided by	/52
Weekly SSDI Rate	$281.91
Compensation Rate	$779.32
Weekly SSDI Rate	$281.91
Combined Total Benefits	$1,061.23
Gross Weekly Earnings	$1,144.08
Multiplied by 80%	0.8
Maximum Entitlement	$915.26
Combined Total Benefits	$1,061.23
Subtract Max Entitlement	-$915.26
Offset Amount	$145.97
Compensation Rate	$779.32
Less Social Security Offset	-$145.97

Social Security offset rate $633.35

(Petition, July 9, 2026).

6) On August 4, 2026, Employer submitted its affidavit of readiness for hearing on its petition for an SSD benefits offset. At an August 5, 2026 prehearing conference, the parties stipulated to a September 8, 2026 hearing on the written record. (Affidavit of readiness for hearing, August 4; prehearing conference summary, August 5, 2026).

7) On August 19, 2026, Employer filed its notice of intent to rely on an affidavit of Kristy Donovan, the handling adjuster at Travelers Property Causalty Company. Attached to her affidavit is a Travelers "Workers Compensation Payment Detail" spreadsheet for Employee. Per this spreadsheet, Employee was paid TTD from March 8, 2021 to July 25, 2023. She was again paid TTD from April 22, 2024 to August 1, 2024. Employee was paid TTD at a rate of $779.32. For the latter period, Donovan states in her affidavit that the benefits awarded for this period were erroneously listed in Travelers' system as reemployment benefits rather than TTD benefits. Employer sent Employee a supplemental check in the amount of $1,405.48 to cover the difference between the lesser amount in reemployment benefits paid and TTD benefits owed. Thus, Employee was paid TTD benefits at an effective compensation rate of $779.32 for the period of April 22, 2024 through July 31, 2024. (Notice of Intent to Rely, August 19, 2026; Affidavit of Travelers Property Causalty Company adjuster Kristy Donovan, August 19, 2026).

8) Employer submitted its brief on September 1, 2026 in anticipation of the written record hearing. Therein, Employer states "it is appropriate for the Board to find that the employer and carrier may take a Social Security offset on all past TTD and future TTD, TPD, or PTD benefits paid while she is receiving SSDI benefits." Employer also states in its brief, following its proposed calculation of an SSD benefit offset, that "the employer is entitled to reduce the employee's past TTD benefits to $633.35 weekly when applying the Social Security offset. Further, they are entitled to offset any future TTD and PTD benefits[.]" In its conclusion section, the brief requests that the board "issue an order finding that the employer may take a Social Security offset on past TTD and any future TTD, PTD, and TPD." Employer does not state in its brief that it seeks offset for past PTD benefits paid to Employee. (Employer hearing brief, September 1, 2026).

9) On September 25, 2026, *Parsons I* granted Employer's petition for an SSD offset. *Parsons I* stated the Social Security Administration (SSA) notified Employee that she became entitled to SSD benefits in the amount of $1,327.00 per month beginning January 2022. (*Parsons I* at 2).

10) *Parsons I* determined Employee's initial SSD award amount to be $1,265.63. It determined this amount by dividing Employee's $24,027.00 lump payment by 19 (i.e., the number of months for which Employee was paid the lump sum, from January 2022 through July 2023). Based on this initial award amount, *Parsons I* determined Employer was entitled to offset Employee's weekly offset by $156.13, resulting in an offset weekly compensation rate of $623.19. (*Id*. at 2, 9).

11) *Parsons I* also found "[f]rom January 1, 2022 until July 10, 2023, and again from April 22, 2024 to August 1, 2024, Employee received both TTD and SSD benefits. Together, these periods total 86 weeks and 4 days, or 606 days." Further, *Parsons I* stated "Employer does not seek an offset against any past PTD Employee has received[.]" (*Id*. at 9-10).

12) On the basis of these findings, *Parsons I* determined "Employer overpaid Employee $156.13 per week (the amount of the SSD offset), which is $22.30 per day. Therefore, Employee received an overpayment of $13,513.80 ($22.30 x 606 days = $13,513.80)." *Parsons I* also determined Employer was entitled to recoup this overpayment by withholding 20 percent of Employee's future compensation payments, or $124.54 (i.e., 20 percent of the $623.19 offset compensation rate). (*Id*.).

13) On October 9, 2026, Employer filed its Petition for Modification. Employer argues *Parsons I* erred in multiple ways. Employer first argues *Parsons I* incorrectly based its calculation of the SSD offset amount on $1,265.63 rather than $1,221.60, resulting in an incorrect offset amount. Second, it argues *Parsons I* incorrectly determined the periods for which Employee's TTD benefits and SSD benefits overlapped; it argues the correct periods, based on Travelers' records, should be January 1, 2022 through (not "to") July 24, 2023, and again from April 22, 2024 through (not "to") July 31, 2024. Third, it argues *Parsons I* incorrectly stated Employer did not seek an SSD offset of Employee's past PTD benefits (i.e., from July 7, 2026 onward). Fourth and fifth, and as a consequence of the errors Employer alleges in its first, second, and third arguments, Employer argues *Parsons I* incorrectly calculated Employer's overpayment amount and the amount by which Employer is entitled to reduce

Employee's disability benefits to recover its overpayment. (Employer's Petition for Modification, October 9, 2026).

PRINCIPLES OF LAW

> **AS 23.30.001. Intent of the legislature and construction of chapter**. It is the intent of the legislature that
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> > (1) this chapter be interpreted so as to ensure the quick, efficient, fair, and predictable delivery of indemnity and medical benefits to injured workers at a reasonable cost to the employers who are subject to the provisions of this chapter;
> > (2) workers' compensation cases shall be decided on their merits except where otherwise provided by statute;
> > (3) this chapter may not be construed by the courts in favor of a party;
> > (4) hearings in workers' compensation cases shall be impartial and fair to all parties and that all parties shall be afforded due process and an opportunity to be heard and for their arguments and evidence to be fairly considered.

The board may base its decisions not only on direct testimony and other tangible evidence, but also on the board's "experience, judgment, observations, unique or peculiar facts of the case, and inferences drawn from all of the above." *Fairbanks North Star Borough v. Rogers & Babler*, 747 P.2d 528, 533-534 (Alaska 1987).

> **AS 23.30.155. Payment of compensation**. . . .
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> > (j) If an employer has made advance payments or overpayments of compensation, the employer is entitled to be reimbursed by withholding up to 20 percent out of each unpaid installment or installments of compensation due. More than 20 percent of unpaid installments of compensation due may be withheld from an employee only on approval of the board. . . .

AS 23.30.155(j) permits withholding up to 20 percent of future compensation installments and can be invoked at an employer's discretion. *Davenport v. K&L Distributors, Inc.*, AWCB Dec. No. 92-0180 (July 22, 1992).

> **AS 23.30.180. Permanent total disability.** (a) In case of total disability adjudged to be permanent 80 percent of the injured employee's spendable weekly wages shall be paid to the employee during the continuance of the total disability. . . .

> **AS 23.30.185. Compensation for temporary total disability.** In case of disability total in character but temporary in quality, 80 percent of the injured employee's spendable weekly wages shall be paid to the employee during the continuance of the disability. . . .
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> **AS 23.30.220. Determination of spendable weekly wage.** (a) Computation of compensation under this chapter shall be on the basis of an employee's spendable weekly wage at the time of injury. An employee's spendable weekly wage is the employee's gross weekly earnings minus payroll tax deductions. An employee's gross weekly earnings shall be calculated as follows:
> . . . .
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> (4) if at the time of injury the employee's earnings are calculated by the day, by the hour, or by the output of the employee, then the employee's gross weekly earnings are 1/50 of the total wages that the employee earned from all occupations during either of the two calendar years immediately preceding the injury, whichever is most favorable to the employee; . . .
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> **AS 23.30.225. Social security and pension or profit sharing plan offsets.** . . .
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> (b) When it is determined that, in accordance with 42 U.S.C. 401 - 433, periodic disability benefits are payable to an employee or the employee's dependents for an injury for which a claim has been filed under this chapter, weekly disability benefits payable under this chapter shall be offset by an amount by which the sum of (1) weekly benefits to which the employee is entitled under 42 U.S.C. 401 - 433, and (2) weekly disability benefits to which the employee would otherwise be entitled under this chapter, exceeds 80 percent of the employee's average weekly wages at the time of injury. . . .

The procedure for application of the SSD offset at AS 23.30.225 was first developed in *Stanley v. Wright-Harbor*, AWCB Dec. No. 82-0039 (February 19, 1982); *aff'd*, 3AN 82-2170 Civil (Alaska Superior Ct. May 19, 1983). SSD offsets are calculated as follows:

A. Determine the employee's Gross Weekly Earnings (GWE)
B. From GWE, determine Weekly Compensation Rate for workers' compensation (Weekly WC Rate)
C. Calculate employee's Weekly Social Security Benefit by multiplying monthly payment by twelve, then divide by 52 (Weekly SS benefit)
D. Add Weekly WC Rate and Weekly SS Benefit [B plus C]
E. Calculate 80 percent of GWE [80 percent of A]
F. Calculate Social Security Offset [D minus E]. *Id*.

Stanley found application of AS 23.30.225(b) does not lower a claimant's entitlement to benefits any more than if the statute did not exist. "The dollar amount of the benefits is merely redistributed between Social Security and the workers' compensation carrier." *Id*. at 3. Since its development, the offset calculation has been consistently applied.

> **8 AAC 45.225. Social security and pension or profit sharing plan offsets**. . . .
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> (b) An employer may reduce an employee's weekly compensation under AS 23.30.225(b) by
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> (1) getting a copy of the Social Security Administration's award showing the
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> (A) employee is being paid disability benefits;
> (B) disability for which the benefits are paid;
> (C) amount, month, and year of the employee's initial entitlement; and
> (D) amount, month, and year of each dependent's initial entitlement;
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> (2) computing the reduction using the employee or beneficiary's initial entitlement, excluding any cost-of-living adjustments;
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> (3) completing, filing with the board, and serving upon the employee a petition requesting a board determination that the Social Security Administration is paying benefits as a result of the on-the-job injury; the petition must show how the reduction will be computed and be filed together with a copy of the Social Security Administration's award letter;
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> (4) filing an affidavit of readiness for hearing in accordance with 8 AAC 45.070(b); and
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> (5) after a hearing and an order by the board granting the reduction, completing a Compensation Report form showing the reduction, filing a copy with the board, and serving it upon the employee. . . .

Under 8 AAC 45.225(b), the employer is required to secure an order from the board before it is entitled to offset its compensation liability against the employee's SSD benefits. Board regulations carefully delineate the procedure the employer must follow before its petition for an SSD offset will be considered by the board. *Applebee v. United Airlines Corp.*, AWCB Dec. No. 13-0042 (April 24, 2013).

> **AS 23.30.130. Modification of awards.** (a) Upon its own initiative, or upon the application of any party in interest on the ground of a change in conditions,

> including, for the purposes of AS 23.30.175, a change in residence, or because of a mistake in its determination of a fact, the board may, before one year after the date of the last payment of compensation benefits under AS 23.30.180, 23.30.185, 23.30.190, 23.30.200, or 23.30.215, whether or not a compensation order has been issued, or before one year after the rejection of a claim, review a compensation case under the procedure prescribed in respect of claims in AS 23.30.110. Under AS 23.30.110 the board may issue a new compensation order which terminates, continues, reinstates, increases or decreases the compensation, or award compensation.
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> (b) A new order does not affect compensation previously paid, except that an award increasing the compensation rate may be made effective from the date of the injury, and if part of the compensation due or to become due is unpaid, an award decreasing the compensation rate may be made effective from the date of the injury, and payment made earlier in excess of the decreased rate shall be deducted from the unpaid compensation, in the manner the board determines.

A "change in condition" for purposes of modification under AS 23.30.130, necessarily implies a change from something previously existing. It must refer to a change from the condition at the time of the award from which modification is sought. *Fischback & Moore of Alaska, Inc*. v. *Lynn,* 453 P.2d 478 (Alaska 1969).

The plain language of AS 23.30.130(a) "expressly authorizes the Board to modify its own earlier orders." *Sulkosky v. Morrison-Knudsen*, 919 P.2d 158, 163 (Alaska 1996). In the case of a factual mistake or a change in conditions, a party "may ask the board to exercise its discretion to modify the award at any time until one year" after the last compensation payment is made, or the board rejected a claim. *George Easeley Co. v. Lindekugel*, 117 P.3d 734, 743 (Alaska 2005). Section 23.30.130 confers continuing jurisdiction over workers' compensation matters. *Id*.

> **AS 44.62.540. Reconsideration**. (a) The agency may order a reconsideration of all or part of the case on its own motion or on petition of a party. To be considered by the agency, a petition for reconsideration must be filed with the agency within 15 days after delivery or mailing of the decision. The power to order reconsideration expires 30 days after the delivery or mailing of a decision to the respondent. If no action is taken on a petition within the time allowed for ordering reconsideration, the petition is considered denied.
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> (b) The case may be reconsidered by the agency on all the pertinent parts of the record and the additional evidence and argument that are permitted. . . .

A petition for reconsideration has a 15 day time limit for the request, and power to reconsider "expires thirty days after the decision has been mailed . . . and if the board takes no action on a petition, it is considered denied." *George Easley Co. v. Lindekugel*, 117 P.3d 734, 743 n. 36 (Alaska 2005).

"The appropriate recourse for allegations of legal error is a direct appeal or petition to the board for reconsideration of the decision within the time limits set by AS 44.62.540(a)." *George Easley Co. v. Estate of Lindekugel*, 117 P.3d 734, 743 (Alaska 2005).

ANALYSIS

Should *Parsons I* be modified?

Though Employer petitions for modification of *Parsons I*, the petition will be treated as one for reconsideration. Modification under AS 23.30.130 is limited in applicability to subsequent changes in conditions or mistake in determinations of fact. Employer identifies aspects of *Parsons I* which could be, arguably, categorized as legal errors (e.g., the basis upon which *Parsons I* determined Employee's initial SSD entitlement amount, and calculation of the SSD offset amount upon application of the *Stanley* formula), and allegations of legal error are appropriately considered by the board via petitions for reconsideration. *See Estate of Lindekugel*. Treatment of the petition as one for reconsideration ensures each of Employer's arguments fall within the scope of the petition and the board's authority to consider them; under AS 44.62.540, the scope of reconsideration of a decision is not limited in the same way that modification is limited. *Parsons I* issued on September 25, 2026, and Employer filed its petition on October 9, 2026. Employer submitted its petition timely for purposes of reconsideration. This decision will therefore treat the petition as one for reconsideration.

Employer argues *Parsons I* erred in five ways. Each are discussed in turn herein.

First, Employer argues *Parsons I* incorrectly determined the amount of Employee's initial SSD benefits award was $1,265.63. *Parsons I* determined this amount on the basis of the SSA's lump award of $24,047.00 for the 19-month period of January 2022 through 2023. $24,047.00 divided

by 19 is $1,265.63. However, Employee's entitlement letter states Employee's entitlement to benefits beginning January 2022 was $1,221.60, which was increased in December 2022 to $1,327.80 as a result of a cost of living adjustment.

Though it is the case Employee was awarded an average of $1,265.63 per month as a result of receiving the lump payment, which she received once the SSA determined she was eligible for SSD benefits, 8 AAC 45.225(b)(2) states an employer may reduce an employee's weekly compensation rate by computing the reduction using the employee's initial entitlement, excluding any cost of living adjustments. 8 AAC 45.225(b)(1) also states employers are required to obtain copies of employee's SSA award which shows the "amount, month, and year of the employee's initial entitlement," which further demonstrates the amount of an employee's initial entitlement is the amount which corresponds to the specific date upon which his or her eligibility began. *Parsons I* erred in this regard and will be reconsidered to reflect Employee's initial entitlement amount of $1,221.60.

Second, Employer argues *Parsons I* incorrectly identified the periods that Employee received both TTD benefits and SSD benefits. *Parsons I* identified this period of overlap as January 1, 2022 (i.e., the date of Employee's initial entitlement to SSD benefits) until July 10, 2023, and again from April 22, 2024 to August 1, 2024.

Parsons I erred in determining the overlap period. Per Donovan's affidavit and the Travelers Workers Compensation Payment Detail spreadsheet which accompanied it, the periods in which Travelers paid TTD benefits to Employee while she simultaneously received SSD benefits were January 1, 2022 through July 24, 2023 and April 22, 2024 through July 31, 2024. This is a total period of 671 days, or 95 weeks and 6 days. *Parsons I* will be reconsidered to reflect the correct overlap period.

Third, Employer argues *Parsons I* incorrectly stated Employer did not seek an SSD offset for Employee's past PTD benefits. *Parsons I* stated "though Employer does not seek an offset against any past PTD Employee has received, Employee began receiving PTD at a compensation rate of $779.32 effective July 7, 2026." As Employer notes in its present petition, Employer's

July 9, 2026 petition for an SSD benefits offset states "the employer and carrier petition the board to grant a Social Security Offset pursuant to AS 23.30.225(b) for past and future disability benefits paid to the employee subsequent to December 31, 2021."

However, Employer's September 1, 2026 brief for the written record hearing states that the board should apply an SSD offset "on all past TTD and future TTD, TPD, or PTD benefits paid while [Employee] is receiving SSDI benefits." Employer then states it is entitled to reduce Employee's past TTD benefits and any future TTD and PTD benefits. The brief concludes by asking the board to "issue an order finding that the employer may take a Social Security offset on past TTD and any future TTD, PTD, and TPD." *Parsons I* relied on these statements in Employer's brief and, in this limited respect, will not be reconsidered. The retroactive offset period will be the cumulative 671 days for which Employee received both SSD benefits and TTD benefits.

Evaluation of Employer's fourth and fifth arguments are predicated upon the errors identified thus far and will be considered together. Fourth, Employer argues *Parsons I* incorrectly calculated Employer's overpayment amount due to incorrectly identifying the past overlap between SSD and TTD payments. Fifth, it argues *Parsons I* incorrectly determined the amount by which Employer is entitled to reduce Employee's ongoing disability benefits to recoup its overpayment.

In light of the errors previously identified, Employer is correct that the overpayment amount and benefits reduction calculated in *Parsons I* are also error. Employer's entitlement to an SSD offset upon reapplication of the *Stanley* formula is as follows:

1	Employee's Gross Weekly Earnings (GWE)	$1,144.08
2	Employee's Weekly Compensation Rate	$779.32
3	Employee's Initial Monthly Social Security disability (SSD) Benefit	$1,221.60
4	Employee's weekly SSD benefits ($1,221.60 x 12 months / 52 weeks) = ($1,221.60 x 12 = $14,659.20 / 52 = $281.91)	$281.91
5	Employee's combined weekly benefits (#2+ #4) = ($779.32 + $281.91 = $1,061.23)	$1,061.23
6	Employee's maximum combined weekly benefit (80% of GWE) (#1 x .8) = ($1,144.08 x .8 = $915.26)	$915.26

7	Employee's weekly offset (#5 - #6) = ($1,061.23 – 915.26 = $145.97)	$145.97
8	**Employee's offset weekly compensation rate (current weekly compensation rate - weekly offset) (#2 - #7) = ($779.32 - $145.97 = $633.35)**	**$633.35**

Based upon reapplication of the *Stanley* formula, Employer is entitled to offset Employee's TTD benefits by $145.97. Employer is entitled to this offset both prospectively, if Employee continues to receive workers' compensation disability indemnity benefits, and retroactively for periods in which Employee received TTD. Employee's compensation rate is $633.35 for all relevant periods.

Employer's overpayment amount must also be recalculated. From January 1, 2022 through July 24, 2023, and again from April 22, 2024 through July 31, 2024, Employee received both TTD and SSD benefits. This is a total of 671 days, or 95 weeks and 6 days. Employer overpaid Employee $145.97 per week (the amount of the corrected SSD offset), which is $20.85 per day. Employee therefore received an overpayment of $13,990.35 ($20.85 x 671 days = $13,990.35). Employer may recover its overpayment by withholding up to 20 percent from future compensation payments. Twenty percent of Employee's $633.35 weekly compensation is $126.67. Employer may therefore reduce Employee's weekly compensation to $506.68 to recover its overpayment. AS 23.30.155(j); *Davenport*. If Employer seeks to withhold greater than 20 percent, it must petition for relief.

To summarize, *Parsons I* will be reconsidered. *Parsons I* will be corrected to reflect the following: Employee's initial entitlement to SSD benefits was in the amount of $1,221.60; Employee was paid both SSD benefits and TTD benefits from January 1, 2022 through July 24, 2023 and again from April 22, 2024 through July 31, 2024, for a total period of 671 days, or 95 weeks and 6 days; Employer's weekly offset amount is $145.97, entitling Employer to reduce Employee's compensation rate to $633.35; Employer overpaid Employee $13,990.35 in TTD benefits, and; Employer is entitled to reduce Employee's weekly compensation by 20 percent, to $506.68, to recover its overpayment.

CONCLUSION OF LAW

Parsons I shall be reconsidered.

ORDER

1) Employer's October 9, 2026 petition is granted and *Parsons I* shall be modified in accordance with this decision.

2) *Parsons I* finding of fact (3) is amended to read as follows: "Employee began receiving TTD benefits on March 18, 2021. Her compensation rate was $779.32 based on gross weekly earnings of $1,144.08 and her status as married with no listed dependents. Employer paid Employee TTD benefits through July 24, 2023. (Subsequent Report of Injury (SROI), March 20, 2021; ICERS payments screen; ICERS wages screen; Affidavit of Travelers Property Causalty Company adjuster Kristy Donovan, August 19, 2026)."

3) *Parsons I* finding of fact (4) is amended to read as follows: "On August 6, 2023, the Social Security Administration (SSA) notified Employee that she became entitled to monthly disability benefits in the amount of $1,221.60 beginning January 2022. The SSA found Employee's disability began on March 9, 2021. The SSA paid Employee a lump-sum of $24,047.00 for the 19-month period of January 2022 through July 2023. The SSA then informed Employee she would receive $1,327.00 for August 2023 and would receive this amount on the fourth Wednesday of each month going forward. (SSA Notice of Award, August 6, 2023)."

4) *Parsons I* finding of fact (5) is amended to read as follows: "Employee's initial SSD award amount is $1,221.60 beginning January 2022. (SSA Notice of Award, August 6, 2023)."

5) *Parsons I* finding of fact (6) is amended to read as follows: "On April 22, 2024, Employer resumed paying Employee TTD benefits and did so through July 31, 2024. As Donovan stated in her affidavit, the benefits awarded for this period were erroneously listed in Travelers' system as reemployment benefits rather than TTD benefits. Employer sent Employee a supplemental check in the amount of $1,405.48 to cover the difference between the lesser amount in reemployment benefits paid and TTD benefits owed. Thus, Employee was paid TTD benefits at an effective compensation rate of $779.32 for the period of April 22, 2024 through July 31, 2024. (SROI, February 14, 2025; Affidavit of Travelers Property Causalty Company adjuster Kristy Donovan, August 19, 2026)."

6) *Parsons I* order (1) is amended to read as follows: "Employer is entitled to take a $145.97 per week offset, both prospectively and retroactively for the periods of January 1, 2022 through July 24, 2023 and April 22, 2024 through July 31, 2024."
7) *Parsons I* order (2) is amended to read as follows: "Employee's compensation rate is 633.35, both prospectively and retroactively for the periods of January 1, 2022 through July 24, 2023 and April 22, 2024 through July 31, 2024."
8) *Parsons I* order (3) is amended to read as follows: "Employer has overpaid Employee $13,990.35 for the periods of January 1, 2022 through July 24, 2023 and April 22, 2024 through July 31, 2024 (i.e., those periods in which Employee received both SSD benefits and TTD benefits)."
9) *Parsons I* order (4) is amended to read as follows: "Employer is entitled to reduce payments by 20 percent to $506.68 to recover its overpayment."

Dated in Anchorage, Alaska on October 22, 2026.

ALASKA WORKERS' COMPENSATION BOARD

/s/
Kyle Ruschell, Designated Chair

/s/
Pam Cline, Member

/s/
Becky Tamaki, Member

APPEAL PROCEDURES

This compensation order is a final decision. It becomes effective when filed in the office of the board unless proceedings to appeal it are instituted. Effective November 7, 2005 proceedings to appeal must be instituted in the Alaska Workers' Compensation Appeals Commission within 30 days of the filing of this decision and be brought by a party in interest against the boards and all other parties to the proceedings before the board. If a request for reconsideration of this final decision is timely filed with the board, any proceedings to appeal must be instituted within 30 days after the reconsideration decision is mailed to the parties or within 30 days after the date the reconsideration request is considered denied due to the absence of any action on the reconsideration request, whichever is earlier. AS 23.30.127.

An appeal may be initiated by filing with the office of the Appeals Commission: 1) a signed notice of appeal specifying the board order appealed from and 2) a statement of the grounds upon

which the appeal is taken. A cross-appeal may be initiated by filing with the office of the Appeals Commission a signed notice of cross-appeal within 30 days after the board decision is filed or within 15 days after service of a notice of appeal, whichever is later. The notice of cross-appeal shall specify the board order appealed from and the ground upon which the cross-appeal is taken. AS 23.30.128.

RECONSIDERATION

A party may ask the board to reconsider this decision by filing a petition for reconsideration under AS 44.62.540 and in accord with 8 AAC 45.050. The petition requesting reconsideration must be filed with the board within 15 days after delivery or mailing of this decision. The power to order reconsideration expires 30 days after the date the decision was mailed. If no action is taken on a petition for reconsideration within the time allowed to order reconsideration, the petition is considered denied.

MODIFICATION

Within one year after the rejection of a claim, or within one year after the last payment of benefits under AS 23.30.180, 23.30.185, 23.30.190, 23.30.200, or 23.30.215, a party may ask the board to modify this decision under AS 23.30.130 by filing a petition in accord with 8 AAC 45.150 and 8 AAC 45.050.

CERTIFICATION

I hereby certify the foregoing is a full, true and correct copy of the Final Decision and Order in the matter of WENDY I PARSONS, employee / claimant v. ALASKA OCCUPATIONAL AUDIOLOGY & HEALTH, employer; TRAVELERS PROP CAS CO OF AMERIC, insurer / defendants; Case No. 202013498; dated and filed in the Alaska Workers' Compensation Board's office in Anchorage, Alaska, and served on the parties by certified U.S. Mail, postage prepaid, on October 22, 2026.

/s/
Rosie Ambrose, Workers' Compensation Technician