

Workers' Compensation: Compromise & Release Example

Employer Example:

Current employee, 52-year-old janitor, injures his low back. He is off work for one week and returns to modified duty that his employer accommodates during recovery. After conservative medical treatment, he is determined to have reached Maximum Medical Improvement and is released to full duty. He returns to his regular job.

The doctor reports that the employee has permanent impairment based on the objective findings. The resulting Permanent Disability rates to 20% for his age and occupation. This equates to **\$21,895**.

Two settlement options:

1. Stipulate to the 20% Permanent Disability. The Award is paid at \$290 per week for 90.25 weeks until the full **\$21,895** has been paid. The file remains open for the medical treatment that was outlined.

2. C&R for \$38,395

Permanent Disability	=	\$21,895
Future medical care	=	\$15,000
Right to Re-Open	=	<u>\$ 1,500</u>
		\$38,395

Compromise and Release.

Paid in one lump sum.