

**WORKERS' COMPENSATION APPEALS BOARD
STATE OF CALIFORNIA**

MASHAN REED, *Applicant*

vs.

**CRUNCH TIME LOGISTICS, LLC; OLD REPUBLIC INSURANCE COMPANY,
Administered By SEDGWICK CLAIMS MANAGEMENT SERVICES, INC. *Defendants***

**Adjudication Number: ADJ13700405
Santa Ana District Office**

**OPINION AND ORDER GRANTING
PETITION FOR RECONSIDERATION
AND DECISION AFTER RECONSIDERATION**

Lien claimant Spectrum Medical Group seeks reconsideration of a workers' compensation administrative law judge's (WCJ) Findings of Fact of August 7, 2023, wherein it was found that lien claimant had been fully paid for its settlement agreement with defendant and was not "entitled to penalties, interest, costs or fees."

Lien claimant contends that the WCJ erred in finding that it had been fully paid for its settlement agreement and in finding that it was not entitled to penalties, interests, costs, or fees. We have received an Answer and the WCJ has filed a Report and Recommendation on Petition for Reconsideration.

As explained below, we will grant reconsideration, rescind the WCJ's decision and return this matter to the trial level for further development of the record and decision.

In this matter, applicant settled his claims against defendant by way of a Compromise and Release approved on June 22, 2022. On January 12, 2023, the defendant agreed to pay lien claimant \$5,750.00 in satisfaction of the lien. A handwritten notation on the settlement states, "Resolves any and all DOS and any potential claim for for P&I, cost fees and sanctions if paid within 30 days." The agreement does not appear to have been signed by a WCJ.

On January 17, 2023, Sedgwick, defendant's claims administrator, issued a check to Spectrum in the amount of \$2,069.72. The check stub referenced a Claim Number of 4021049F9B7 and a "loss date" of December 1, 2019, which appears to correspond with applicant's alleged date of injury. An Explanation of Bill Review which accompanied the check

contained the same December 1, 2019 date of injury and the same claim number, and also includes the injured worker's name, but the dates of service and the description of services on the Explanation of Bill Review appear to be connected to a different claim (for the same injured worker but with a different employer) serviced by Spectrum, and also administered by Sedgwick.

On December 1, 2023, Sedgwick issued another check, for the balance of the settlement agreement in the instant case. This check contained the same date of injury and claim number as the first check, but stated in the description of services that it was for payment of the settlement agreement.

In an email of February 7, 2023, lien claimant brought the discrepancy in the Explanation of Bill Review accompanying the January 17, 2023 check to Sedgwick's attention. On the same day, Sedgwick asked the lien claimant to apply both checks towards the settlement in the instant case. However, lien claimant asked for an amended Explanation of Bill review correcting the dates of service and description of service with regard to the first check. Lien claimant expresses a concern in the emails, repeated in the instant Petition for Reconsideration, that Sedgwick would take credit for both the settlement agreement in the instant case, and the services rendered in the other case.

We will grant reconsideration, rescind the WCJ's decision and return this matter to the trial level for further proceedings and decision on all outstanding issues. The WCAB has a constitutional mandate to ensure "substantial justice in all cases." (*Kuykendall v. Workers' Comp. Appeals Bd.* (2000) 79 Cal.App.4th 396, 403 [65 Cal.Comp.Cases 264].) In accordance with that mandate, "it is well established that the WCJ or the Board may not leave undeveloped matters" within its acquired specialized knowledge. We note that there is ambiguity both in the Explanation of Bill Review as well as in the emails between Sedgwick and lien claimant regarding the purpose of the first check. We note that no testimony has yet been taken in this case. Testimony may be helpful in determining the purpose behind the first check. Additionally, it may be helpful for the parties to alert the court to the status of the payment for the services, or any objection to payment, in the other case, given defendant's current position that the checks at issue were for the settlement in the instant case. We take no position on the ultimate resolution of this or any other issue.

For the foregoing reasons,

IT IS ORDERED that Lien Claimant Spectrum Medical Group's Petition for Reconsideration of the Findings of Fact of August 7, 2023 is **GRANTED**.

IT IS FURTHER ORDERED as the Decision After Reconsideration of the Workers' Compensation Appeals Board that the Findings of Fact of August 7, 2023 is **RESCINDED** and that this matter is **RETURNED** to the trial level for further proceedings and decision consistent with the opinion herein.

WORKERS' COMPENSATION APPEALS BOARD

/s/ JOSEPH V. CAPURRO, COMMISSIONER

I CONCUR,

/s/ NATALIE PALUGYAI, COMMISSIONER

/s/ CRAIG SNELLINGS, COMMISSIONER



DATED AND FILED AT SAN FRANCISCO, CALIFORNIA

October 30, 2023

SERVICE MADE ON THE ABOVE DATE ON THE PERSONS LISTED BELOW AT THEIR ADDRESSES SHOWN ON THE CURRENT OFFICIAL ADDRESS RECORD.

**MASHAN REED
AVANDI LAW FIRM
GALE SUTOW & ASSOCIATES
SPECTRUM MEDICAL GROUP, INC.**

DW/oo

I certify that I affixed the official seal of the Workers' Compensation Appeals Board to this original decision on this date. o.o