

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

JOSE LUIS CONTRERAS, *Applicant*

vs.

**WESTERN FREIGHT CARRIERS, INC.;
TRANSGUARD INSURANCE COMPANY, *Defendants***

**Adjudication Number: ADJ10788057
Marina del Rey District Office**

**OPINION AND DECISION
AFTER RECONSIDERATION**

Cost Petitioner, Matrix Document Imaging, Inc. petitioned for reconsideration of the Findings and Orders issued by the workers' compensation administrative law judge (WCJ) on October 15, 2020. In that decision, the WCJ found that the cost petitioner failed in their burden of proof that they were owed any monies, and ordered them to take nothing for their medical-legal services. The WCJ also stated in his Opinion that defendant was entitled to Labor Code §5813 sanctions, costs and fees, and Ordered defendant to file a petition with details itemizing their time spent and the amount requested for attorney fees.

Cost Petitioner contends in its petition for reconsideration that the WCJ erred in finding that the cost petitioner was required to prove that applicant was an employee of defendant in order to recover their costs, that defendant was not required to issue Explanations of Review (EORs) until employment was found, that the WCJ erred in correctly stating the stipulations as to which invoices were in issue, and that the WCJ failed to provide reasonable grounds upon which to impose Labor Code §5813 sanctions, costs and fees against cost petitioner.

Petitioner requests that the WCJ's Findings and Orders be vacated and that findings be issued that cost petitioner need not prove employment status in order to collect their medical legal costs, that the employer must issue an EOR to dispute medical-legal charges, that the record reflect and include the omitted invoices at issue, and that the WCALJ's imposition of costs, sanctions, and attorney fees against Cost Petitioner be rescinded.

The WCJ issued a report in which he recommended that the Findings and Orders be amended for clerical error to reflect the proper invoices at issue per the parties' stipulation, but otherwise deny Cost Petitioner's petition for reconsideration.

We granted reconsideration¹ to further study the factual and legal issues presented.

Subsequently, the parties participated in a commissioners' settlement conference at our request and agreed to resolve this matter by stipulation. On September 29, 2022, the parties executed an Agreement and Stipulation between the parties as full and final resolution of the dispute.

The stipulation, signed by attorneys Timothy Mulcahey for cost petitioner, Matrix Document Imaging, Inc., and Paul Karasoff for defendant, Transguard Insurance, provides, in relevant part, that in exchange for an agreement by the parties to vacate the Findings and Orders of the WCJ dated October 15, 2020, Cost Petitioner Matrix Document Imaging, Inc. releases and withdraws, with prejudice, any and all claims against Transguard Insurance in this matter.

In addition, Transguard Insurance releases and withdraws with prejudice, any and all claims against Matrix Document Imaging, Inc. in this matter. The parties are to bear their own costs.

We conclude that the Stipulations filed by cost petitioner and defendant should be approved.

Finally, we commend the parties for engaging in good faith negotiations and successfully resolving this matter without the need for further litigation.

¹ Commissioner Deidra E. Lowe, who was on the panel that granted reconsideration to further study the factual and legal issues in this case, no longer serves on the Appeals Board. Another panelist has been assigned in her place.

For the foregoing reasons,

IT IS ORDERED as the Decision After Reconsideration of the Workers' Compensation Appeals Board that the Findings and Orders issued October 15, 2020, be **VACATED**.

IT IS FURTHER ORDERED as the Decision After Reconsideration of the Workers' Compensation Appeals Board that the Stipulations of cost petitioner Matrix Document Imaging, Inc. and defendant Transguard Insurance, by and through their representatives, executed on September 29, 2022 and filed herein, be **APPROVED**.

WORKERS' COMPENSATION APPEALS BOARD

/s/ KATHERINE WILLIAMS DODD, COMMISSIONER

I CONCUR,

/s/ KATHERINE A. ZALEWSKI, CHAIR

/s/ MARGUERITE SWEENEY, COMMISSIONER



DATED AND FILED AT SAN FRANCISCO, CALIFORNIA

October 14, 2022

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

**MATRIX DOCUMENT IMAGING, INC.
LITIGATION AND CONSULTING ASSOCIATES
LAUGHLIN FALBO LEVY & MORESI, LLP**

LAS/ara

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