

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

**BLANCA SALAS, *Applicant***

**vs.**

**FRY'S ELECTRONICS; ZURICH NORTH AMERICA,  
administered by SEDGWICK CLAIMS MANAGEMENT  
SERVICES INCORPORATED, *Defendants***

**Adjudication Number: ADJ7404188  
Long Beach Office District Office**

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

Cost petitioner Supreme Copy Service, Inc., seeks reconsideration of the Findings and Order (F&O), issued by the workers' compensation administrative law judge (WCJ) on November 25, 2025, wherein the WCJ found in pertinent part that cost petitioner did not meet its burden of proving that there was a contested claim that would entitle it to reimbursement for medical-legal copy services under Labor Code<sup>1</sup> sections 4620 and 4621 and the *Colamonico* en banc decision.

Cost petitioner contends that applicant's claim was contested at the time it provided medical-legal copy services; that the services it provided were medical-legal in nature; that defendant failed to prove that its services were duplicative; and that the services were reasonable and necessary.

We have received an Answer from defendant.

The WCJ issued a Report and Recommendation on Petition for Reconsideration (Report) recommending that the Petition be denied.

We have considered the allegations in the Petition and the Answer, and the contents of the Report. Based on our review of the record, and as discussed below, we will grant the Petition for

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<sup>1</sup> All further references are to the Labor Code unless otherwise stated.

Reconsideration, rescind the F&O and substitute a new Findings of Fact that finds that cost petitioner met its burden to show that a contested claim existed and defer all other issues with respect to the cost petition. We will return this matter to the trial level for further proceedings consistent with this opinion.

## **BACKGROUND**

Applicant while employed on May 11, 2010, as a café worker by defendant sustained injury arising out of and in the course of employment to her low back and claims to have sustained injury arising out of and in the course of employment to her psyche.

On August 18, 2010, applicant filed an Application for Adjudication of Claim (Application). Paragraph 9 of the Application states, “This application is filed because of a disagreement regarding liability for: Temporary disability indemnity, Reimbursement for medical expense, Medical treatment, Compensation at proper rate, Other (Specify) ALL PER LABOR CODE, Permanent disability indemnity, and Rehabilitation.”

On December 9, 2010, applicant’s attorney filed a Declaration of Readiness to Proceed (DOR) on the issue of applicant’s temporary disability benefits and contended that “APPLICANT ATTORNEY SERVED DEFENDANTS WITH A LETTER DEMANDING TD BENEFITS ON 10/27/2010. TO DATE WE HAVE RECEIVED NO RESPONSE. . .” On December 30, 2010, the parties proceeded to an expedited hearing, wherein defendant agreed to pay temporary disability benefits.

In a document dated January 8, 2013, applicant substituted and appointed Mgdesyan Law Firm in place of Rose, Klein, & Marias. According to the proof of service, the Substitution of Attorneys was served on defendant and the WCAB on January 10, 2013, although it does not show that it was filed in the Electronic Adjudication Management System (EAMS) until April 5, 2013.

On February 15, 2013, applicant’s attorney, Mgdesyan Law submitted a completed Order Referral Form to cost petitioner. (Exhibit 1, 2/15/2013.)

On March 6, 2013, defendant issued a letter objecting to the Subpoena Duces Tecum (SDT). (Exhibit B, 3/6/2013.)

Subsequently, the following SDTs were issued by cost petitioner: Fry’s dated June 19, 2013 (Exhibit 2, 6/19/2013); Zurich dated February 22, 2013 (Exhibit 3, 2/22/2013); Craig Chanin, M.D., dated February 22, 2013 (Exhibit 4, 2/22/2013); Coast City Medical Group dated June 19,

2013 (Exhibit 5, 6/19/2013); Landmark Medical Management dated February 22, 2013 (Exhibit 6, 2/22/2013); Law Offices of Perona, Langer, Beck, Serbin & Mendoza dated May 17, 2013 (Exhibit 7, 5/17/2013); Neurolink Medical Group dated February 22, 2013 (Exhibit 8, 2/22/2013); and the WCAB dated May 8, 2013 (Exhibit 9, 5/8/2013).

On April 12, 2013, applicant filed a DOR requesting a mandatory settlement conference (MSC) and alleging that “DEFENSE NOT PROVIDING A BENEFIT PRINTOUT OR RESPONDING TO TTD/PDA COMMENCEMENT REQUEST; SEEKING BOARDS ASSISTANCE.” On June 18, 2013, the parties proceeded to an MSC, and the WCJ ordered a replacement panel in orthopedics.

From April 22, 2013 through June 19, 2013, cost petitioner issued invoices to defendant for medical-legal services it provided. (Exhibits 11, 12, 13, 14, 15, 16, 17, 5/29/2013, 4/22/2013, 6/19/2013, 5/29/2013, 5/17/2013, 5/29/2013, 5/8/2013.)

On October 3, 2013, Hrair E. Darakjian, M.D., issued a qualified medical evaluator (QME) report addressed solely to defendant. He concluded that: “I believe the patient does have evidence for a work-related injury to the lower back.” (Exhibit 29, 10/3/2013.)

On January 28, 2014, defendant issued a “Notice of Denial of Claim For Workers’ Compensation Benefits” wherein it stated that,

“After careful consideration of all available information, we are denying liability only for your claim of injury to Psych and sleep disorder because there is no medical evidence to support a work related injury to your psych and sleep disorder.

If you disagree with the decision and have not yet done so, you have the right to seek the opinion of a Qualified Medical Evaluator. The form is enclosed so that you may submit a request for a panel (QME) Qualified Medical Evaluator.”

(Exhibit A, 1/28/2014, p. 1.)

On January 10, 2014, applicant filed an Amended Application listing the body parts of trunk, lower extremities, psych, and body systems (sleeplessness).

The case in chief was resolved by way of a Compromise & Release (C&R) and an Order Approving the C&R (OACR) issued on March 3, 2016. As relevant herein, on the OACR, the box is checked that states: “A good faith dispute exists as to injury AOE/COE and/or liability for injury to one or more body parts which could if resolved against the applicant, defeat applicant’s right to recover benefits,” and handwritten next to it is “low back only body part accepted.” Nonetheless,

in the C&R the body parts listed as settled are trunk, lower extremities, psych, “body systems,” and back. (C&R, ¶ 1.) In Paragraph 9, under Comments, it states:

PARTIES WISH TO AVOID RISKS, HAZARDS AND DELAYS OF FURTHER LITIGATION AND SETTLE THE ACCEPTED LOW BACK INJURY BY THIS LUMP SUM C&R. SETTLEMENT IS BASED IN PART ON PQME REPORTS OF DR. HRAIR R. DARAKJIAN DATED 10/03/13, 03/17/14. APPLICANT WAS EMPLOYED LESS THAN SIX MONTHS AND IS BASIS FOR DENIAL OF ALLEGATIONS OF INJURY TO PSYCHE. APPLICANT FAILED TO DISCLOSE INJURIES FROM A NON-INDUSTRIAL MOTOR VEHICLE ACCIDENT WITH A MTA BUS THAT OCCURRED ON 5/21/12 WHICH OVERLAPS INJURIES ALLEGED IN WORK COMP CLAIM. APPLICANT IS NOT A MEDICARE BENEFICIARY NOR HAS SHE APPLIED FOR SUCH BENEFITS. SETTLEMENT INCLUDES REIMBURSEMENT TO DEFENDANT FOR COSTS OF \$3,297.64 INCURRED FROM LAST MINUTE CANCELLATION OF AME EXAM WITH DR. KENNETH SABBAG.

On January 23, 2025, cost petitioner filed a “Petition For Determination of Medical-Legal Expense Dispute per 8 CCR §10786(b).”

On September 23, 2025, the matter came on for trial on the petition for medical-legal costs.

On November 25, 2025, the WCJ issued the F&O. In the Opinion on Decision, the WCJ stated in relevant part that:

Based on a review of this regulation [WCAB Rule 10786], the copy services would not be a medical-legal expense as applicant’s low back injury was admitted. Additionally, since the records request is duplicative as indicated in defendant’s objection letter (Exhibit B), the services are not reasonable and necessary. Despite this issue being dispositive, the court will discuss some of the issues raised by the parties further.

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The burden [of] proof rests on Supreme Copy Service to show that there existed a contested claim in order to obtain reimbursement. The Pretrial Conference Statement shows that Supreme Copy Service stipulated that the applicant’s low back was accepted on this case and the applicant’s psychiatric claim was in dispute for the failure to comply with the six-month rule. As noted in Defendant’s Trial Brief, the record locations subpoenaed were for treatment of the admitted low back injury and those records had already been provided to the previous applicant attorney on the case.

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Based on the record, none of the exhibits offered by Supreme Copy Service prove that this was ever a contested claim that would warrant medical-legal expenses. As such, it is found that Supreme Copy Service did not meet its burden of proving that this was a contested claim; as such, they are not entitled to medical-legal

reimbursement pursuant to the Labor Code 4620 and 4621 and *Colamonico v. Secure Transportation*, 84 CCC 1059.

(Opinion on Decision, pp. 6, 9.)

## DISCUSSION

### I.

Former section 5909 provided that a petition for reconsideration was deemed denied unless the Appeals Board acted on the petition within 60 days from the date of filing. (Lab. Code, § 5909.) Effective July 2, 2024, section 5909 was amended to state in relevant part that:

- (a) A petition for reconsideration is deemed to have been denied by the appeals board unless it is acted upon within 60 days from the date a trial judge transmits a case to the appeals board.
- (b)
  - (1) When a trial judge transmits a case to the appeals board, the trial judge shall provide notice to the parties of the case and the appeals board.
  - (2) For purposes of paragraph (1), service of the accompanying report, pursuant to subdivision (b) of Section 5900, shall constitute providing notice.

Under section 5909(a), the Appeals Board must act on a petition for reconsideration within 60 days of transmission of the case to the Appeals Board. Transmission is reflected in Events in the Electronic Adjudication Management System (EAMS). Specifically, in Case Events, under Event Description is the phrase “Sent to Recon” and under Additional Information is the phrase “The case is sent to the Recon board.”

Here, according to Events, the case was transmitted to the Appeals Board on December 30, 2025 and 60 days from the date of transmission is Saturday, February 28, 2026. The next business day that is 60 days from the date of transmission is Monday, March 2, 2026. (See Cal. Code Regs., tit. 8, § 10600(b).)<sup>2</sup> This decision is issued by or on Monday, March 2, 2026, so that we have timely acted on the petition as required by section 5909(a).

Section 5909(b)(1) requires that the parties and the Appeals Board be provided with notice of transmission of the case. Transmission of the case to the Appeals Board in EAMS provides

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<sup>2</sup> WCAB Rule 10600(b) (Cal. Code Regs., tit. 8, § 10600(b)) states that: Unless otherwise provided by law, if the last day for exercising or performing any right or duty to act or respond falls on a weekend, or on a holiday for which the offices of the Workers’ Compensation Appeals Board are closed, the act or response may be performed or exercised upon the next business day.

notice to the Appeals Board. Thus, the requirement in subdivision (1) ensures that the parties are notified of the accurate date for the commencement of the 60-day period for the Appeals Board to act on a petition. Section 5909(b)(2) provides that service of the Report and Recommendation shall be notice of transmission.

Here, according to the proof of service for the Report and Recommendation by the workers' compensation administrative law judge, the Report was served on December 30, 2025, and the case was transmitted to the Appeals Board on December 30, 2025. Service of the Report and transmission of the case to the Appeals Board occurred on the same day. Thus, we conclude that the parties were provided with the notice of transmission required by section 5909(b)(1) because service of the Report in compliance with section 5909(b)(2) provided them with actual notice as to the commencement of the 60-day period on December 30, 2025.

## II.

A cost petitioner holds the burden of proof to establish all elements necessary to establish its entitlement to payment for a medical-legal expense. (See §§ 3205.5, 5705.5; *Torres v. AJC Sandblasting* (2012) 77 Cal.Comp.Cases 1113, 1115 (Appeals Board en banc).) As we explained in our en banc decision in *Colamonico v. Secure Transportation* (2019) 84 Cal.Comp.Cases 1059 (Appeals Board en banc), section 4622 provides the framework for reimbursement of medical-legal expenses. Subsection (f) of the statute, however, specifically states that “[t]his section is not applicable unless there has been compliance with Sections 4620 and 4621.” (Lab. Code, § 4622(f).)

Thus, a cost petitioner is required to establish that: 1) a contested claim existed at the time the expenses were incurred; 2) the expenses were incurred for the purpose of proving or disproving the contested claim; and 3) the expenses were reasonable and necessary at the time were incurred. (Lab. Code, §§ 4620, 4621, 4622(f); *Colamonico, supra*, 84 Cal.Comp.Cases 1059.)

Section 4620(a) defines a medical-legal expense as a cost or expense that a party incurs “for the purpose of proving or disproving a contested claim.” (Lab. Code, § 4620(a).) Copy services fees are considered medical-legal expenses under section 4620(a). (*Cornejo v. Younique Cafe, Inc.* (2015) 81 Cal.Comp.Cases 48, 55 (Appeals Board en banc); *Martinez v. Terrazas* (2013) 78 Cal.Comp.Cases 444, 449 (Appeals Board en banc).) Cost petitioner’s initial burden in proving entitlement to reimbursement for medical-legal expense is to show that a “contested claim” existed

at the time the service was performed. The determination of whether a purported medical-legal expense involves a “contested claim” is a fact driven inquiry.

Section 4620(b) states that:

A ***contested claim exists*** when the employer knows or reasonably should know that the employee is claiming entitlement to ***any benefit*** arising out of a claimed industrial injury and one of the following conditions exists:

- (1) The employer rejects liability for a claimed ***benefit***.
- (2) The employer fails to accept liability for ***benefits*** after the expiration of a reasonable period of time within which to decide if it will contest the claim.
- (3) The employer fails to respond to a demand for payment of ***benefits*** after the expiration of any time period fixed by statute for the payment of indemnity.

(Lab. Code, § 4620(b) [Emphasis added].)

Here, the WCJ found that cost petitioner did not meet its burden of proving that this was a contested claim that would entitle it to medical-legal reimbursement under sections 4620 and 4621, and the *Colamonico en banc* decision. In his Opinion, the WCJ states that the claim was not contested because defendant accepted applicant’s claim of injury to the low back and the claim of psych was subject to the six-month rule. We disagree.

While the record is not extensive, it reflects that there were several occasions from 2010 when the Application was filed to 2016 when the matter was resolved where defendant was not paying benefits as shown by the DORs. Further, the parties proceeded to a QME, again demonstrating that there were unresolved issues. Moreover, defendant’s denial of applicant’s claim for psych means that the claim was contested as defendant never paid any benefits for that body part. Finally, the resolution of the body parts of trunk, lower extremities, psych, body systems, and back in the C&R compared with the clear language in the OACR that liability was only accepted for the low back, again shows that the claim was contested. The very nature of a C&R settlement means that issues remain in dispute and that the parties are “compromising” their disputes.

As stated above, section 4620(b) states that a “contested claim exists” when “the employee is claiming entitlement to ***any benefit*** arising out of a claimed industrial injury. [Emphasis added.]” Subdivisions (b)(1), (2) and (3) refer to an additional condition that must exist, and all three refer to liability for a benefit or payment of benefits. This language is clear.

The basis for the confusion appears to stem from the dependent clause in the condition in subdivision (b)(2) of whether defendant “will contest the claim.” Focusing on this phrase to redefine when a contested claim exists is not only an error in logic, but it also ignores the rest of language of 4620(b). This interpretation means that the question of whether there is a contested claim becomes tantamount to the question of whether there is an industrial injury.

Hence, we briefly review the fundamental difference in workers’ compensation law between “injury” and “benefits.” Section 3208 states in relevant part that: “‘Injury’ includes *any injury* or disease arising out of employment. . .” Section 3208.1 further delineates that an “*injury*” may be “specific” or “cumulative.” Section 3207 states that: “‘Compensation’ means compensation under this division and includes *every benefit or payment* conferred by this division upon an injured employee . . .” Inherent in this statutory distinction between “injury” and “benefits” is that when there is an industrial injury, an employer still may potentially dispute its liability for every species of benefits. For example, an employer may dispute injury to additional body parts, including as a compensable consequence, the applicable occupational variant, the rate of compensation for temporary and permanent disability indemnity, entitlement to medical treatment and its cost, liability for any period of temporary disability, the amount of permanent disability if any, including apportionment, and a host of other issues. We are perplexed that defendant on one hand raises a multitude of disputes with respect to the benefits owed to applicant, and yet on the other hand, vociferously argues that the claim was not contested because it accepted liability for the “injury.”

In his Opinion, the WCJ also speculates, without deciding, that since some of the subpoenas concerned treatment to applicant’s low back and some were duplicative of records provided to previous counsel, they were not reasonable and necessary. We remind the WCJ and defendant that the public policy favoring liberal pre-trial discovery that may reasonably lead to relevant and admissible evidence is applicable in workers’ compensation cases. (*Allison v. Workers’ Comp. Appeals Bd.* (1999) 72 Cal.App.4th 654, 663 [64 Cal.Comp.Cases 624].)

Upon return, we recommend that defendant enter in negotiations forthwith for resolution of the disputed amount so as to avoid any further waste of the WCAB’s scarce resources.

Accordingly, we grant cost petitioner’s Petition for Reconsideration, rescind the F&O, substitute a new Findings of Fact to find that a contested claim existed at the time cost petitioner provided its services and to defer all other issues as to cost petitioner and return this matter to the WCJ for further proceedings consistent with this opinion.

For the foregoing reasons,

**IT IS ORDERED** that cost petitioner Supreme Copy Service, Inc.'s Petition for Reconsideration of the Findings and Order issued on November 25, 2025, is **GRANTED**.

**IT IS FURTHER ORDERED** as the Decision After Reconsideration of the Workers' Compensation Appeals Board that the Findings of Fact and Order of November 25, 2025 is **RESCINDED**, that a new Findings and Order, as provided below, be **SUBSTITUTED** in its place, and that this matter is **RETURNED** to the trial level for further proceedings consistent with this opinion.

**FINDINGS OF FACT**

1. Supreme Copy Service, Inc., met its burden of proving that a contested claim existed under Labor Code section 4620.
2. All other issues are deferred as to the petition for costs by Supreme Copy Service, Inc.

**WORKERS' COMPENSATION APPEALS BOARD**

**/s/ ANNE SCHMITZ, DEPUTY COMMISSIONER**

**I CONCUR,**

**/s/ KATHERINE WILLIAMS DODD, COMMISSIONER**

**/s/ CRAIG L. SNELLINGS, COMMISSIONER**



**DATED AND FILED AT SAN FRANCISCO, CALIFORNIA**

**March 2, 2026**

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

**SUPREME COPY SERVICE  
MANNING & KASS**

**DLM/oo**

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