

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

**CORINNE LESHEN, *Applicant***

**vs.**

**STATE OF CALIFORNIA HIGHWAY PATROL;  
legally uninsured, administered by  
STATE COMPENSATION INSURANCE FUND, *Defendants***

**Adjudication Number: ADJ6925586  
Long Beach District Office**

**OPINION AND ORDER  
DENYING PETITION FOR  
RECONSIDERATION**

Lien claimant Southland Spine & Rehabilitation Medical Center (lien claimant) seeks reconsideration of the Findings and Order (F&O), issued by the workers' compensation administrative law judge (WCJ) on December 18, 2025, wherein the WCJ found that lien claimant failed to timely file a declaration pursuant to Labor Code<sup>1</sup> section 4906.05, subd. (c)(2) on or before July 3, 2017, resulting in dismissal of its lien by operation of law.

Lien claimant contends that because its lien was filed in 2011, it was not required to file a declaration per section 4903.05(c).

We 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 for Reconsideration, the Answer, and the contents of the Report, and we have reviewed the record in this matter. For the reasons discussed below, we will deny reconsideration.

**BACKGROUND**

We will briefly review the relevant facts.

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

Applicant while employed on June 16, 2009, by the State of California Highway Patrol, sustained injury which resulted in hypertension, arteriosclerosis, and hypertensive cardiovascular disease.

Lien claimant filed its lien on January 7, 2011.

On October 16, 2018, lien claimant filed its declaration pursuant to section 4903.8(d).

On April 9, 2019, the case-in chief settled via a Stipulations with Request For Award with 50% Permanent Disability (PD) for psyche, hypertension, atherosclerosis, and hypertensive cardiovascular disease.

On October 28, 2025, the matter came on for lien trial and placed in issue “[j]urisdiction of the Workers’ Compensation Appeals Board (WCAB) and Lien Claimant’s failure to file a declaration pursuant to Labor Code section 4903.05(c).” (Minutes of Hearing, 10/28/2025, 2:11-2:13.) Defendant requested that the Court take Judicial Notice, under Evidence Code section 452(d) of the following panel decisions. ADJ4642758 in the case of *Hector Carrillo* dated October 10, 2024, ADJ2699367 in the case of *Jose Castillo*, dated April 15, 2024, and ADJ2193346 in the case of *Ida Montelongo*, dated September 1, 2021. Lien claimant did not object to the above-mentioned request. (Minutes of Hearing, 10/28/2025, 3:1-3:8.)

On December 18, 2025, the WCJ issued his decision determining in relevant part that “[l]ien claimant, Southland Spine and Rehabilitation failed to timely file a declaration pursuant to LC 4906.05(c)(2) on or before July 3, 2017. (Finding of Fact No. 2.)

The WCJ’s Opinion on Decision states that section 4903.05(c)(2) addresses the declaration requirement for those liens filed before January 1, 2017. “Lien claimants had until Monday, July 3, 2017, at 5:00 p.m. to file a lien declaration pursuant to LC4903(c)(2). (*Pedro Hernandez v. Henkel Loctite* (2018) 83 CCC 1424, 1426 (En Banc); *Rodriguez v. Garden Plating Company* (2017) 82 CCC 1390 (En Banc). It is undisputed that they did not file. Reconsideration would have been required by July 28, 2017, at the latest. Failure to do so resulted in dismissal with prejudice of the lien by operation of law (LC 4903.05(c)3).” (Opinion on Decision, 12/18/2025, p. 4.)

Lien claimant's Petition contends that because it filed its lien in 2011, the lien was subject to an activation fee under section 4903.06, rather than a filing fee under section 4903.05, and it was not required to file a declaration pursuant to section 4903.05(c).

Defendant's Answer states that lien claimant misinterpreted section 4903.05(c) because section 4903.05(c)(2) "clearly states that, for any lien claim filed before January 1, 2017, the lien claimants shall have until July 1, 2017 to file a declaration."

The WCJ's Report states: The declaration requirement is imposed on 'all lien claimants.' . . . [S]ection 4903.05(c)(2) addresses the declaration requirement for those liens filed before January 1, 2017. . . .

. . .

The language appears to be clear and unambiguous. It states that any lien filed for services pursuant to LC 4903(b) (medical treatment) requires the filing of a declaration pursuant to 4903.05(c)(2). Further, the plain language indisputably applies to all liens requiring a filing fee. (Report, p. 4.)

Since the lien at issue sought reimbursement for a medical expense under section 4903(b) and was filed prior to January 1, 2017, the WCJ reasoned that the supplemental lien declaration requirement of section 4903.05(c) applied, and the failure to file timely resulted in the dismissal of the lien by operation of law.

## **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 is the phrase "The case is sent to the Recon board."

Here, according to Events, the case was transmitted to the Appeals Board on January 21, 2026, and 60 days from the date of transmission is Sunday, March 22, 2026. The next business day that is 60 days from the date of transmission is Monday, March 23, 2026. (See Cal. Code Regs., tit. 8, § 10600(b).)<sup>2</sup> This decision is issued by or on Monday, March 23, 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 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 January 21, 2026, and the case was transmitted to the Appeals Board on January 21, 2026. 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 January 21, 2026.

## II.

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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.

Section 4600(a) requires the employer to provide all “[m]edical, surgical, chiropractic, acupuncture, licensed clinical social worker, and hospital treatment, including nursing, medicines, medical and surgical supplies, crutches, and apparatuses, including orthotic and prosthetic devices and services, that [are] reasonably required to cure or relieve the injured worker from the effects of the worker’s injury.” (Lab. Code, § 4600, subd. (a).) Section 4903 authorizes the filing of a lien “as against any sum to be paid as compensation,” for multiple categories of expenses, including reasonable expenses for medical treatment pursuant to section 4600 incurred by or on behalf of the injured employee. (Lab Code, § 4903, subd. (b).)

Section 4903 further authorized multiple other categories of lien filings, including liens for attorney’s fees (subd. (a)), certain types of medical-legal expense (subd. (b)), employee’s living expenses (subd. (c)), burial expenses (subd. (d)), family living expenses (subd. (e)), and various collateral disability, unemployment, and other species of benefit. (subd. (f)-(i).)

Here, lien claimant seeks reimbursement for medical treatment services provided to applicant, with its request filed under of section 4903(b) for “the reasonable expense incurred by or on behalf of the injured employee, as provided by Labor Code § 4600 and Reasonable expense incurred by or on behalf of the injured employee for medical-legal expenses.” (Exhibit 1, 1/7/2011, p. 5.)

In 2016, the Legislature enacted section 4903.05 which provided for the filing of a written lien claim, and instituted new requirements associated with the filing of certain types of liens, including medical treatment liens under section 4903(b). Section 4903.05(c) provides:

(c)

- (1) For liens filed on or after January 1, 2017, any lien claim for expenses under subdivision (b) of Section 4903 that is subject to a filing fee under this section shall be accompanied at the time of filing by a declaration stating, under penalty of perjury, that the dispute is not subject to an independent bill review and independent medical review under Sections 4603.6 and 4610.5, respectively, that the lien claimant satisfies one of the following:

- (A) Is the employee’s treating physician providing care through a medical provider network.

(B) Is the agreed medical evaluator or qualified medical evaluator.

(C) Has provided treatment authorized by the employer or claims administrator under Section 4610.

(D) Has made a diligent search and determined that the employer does not have a medical provider network in place.

(E) Has documentation that medical treatment has been neglected or unreasonably refused to the employee as provided by Section 4600.

(F) Can show that the expense was incurred for an emergency medical condition, as defined by subdivision (b) of Section 1317.1 of the Health and Safety Code.

(G) Is a certified interpreter rendering services during a medical-legal examination, a copy service providing medical-legal services, or has an expense allowed as a lien under rules adopted by the administrative director.

(2) Lien claimants shall have until July 1, 2017, to file a declaration pursuant to paragraph (1) for any lien claim filed before January 1, 2017, for expenses pursuant to subdivision (b) of Section 4903 that is subject to a filing fee under this section.

(3) The failure to file a signed declaration under this subdivision shall result in the dismissal of the lien with prejudice by operation of law. Filing of a false declaration shall be grounds for dismissal with prejudice after notice.

(Lab. Code, § 4903.05(c).)

In addition, section 4903.06, subdivision (a) provides that “[a]ny lien filed pursuant to subdivision (b) of Section 4903 prior to January 1, 2013, and any cost that was filed as a lien prior to January 1, 2013, shall be subject to a lien activation fee unless the lien claimant provides proof of having paid a filing fee as previously required by former Section 4903.05 as added by Chapter 639 of the Statutes of 2003.” (Lab. Code, § 4903.06, subd. (a).)

Here, there is no dispute that lien claimant filed a medical treatment lien on January 11, 2011, and the parties agree that lien claimant paid an activation fee of \$100.00 on December 16, 2015. (Report, p. 2.) Further, the parties do not dispute that lien claimant did not file the declaration required under section 4903.05(c). Lien claimant contends that because its lien was filed prior to January 1, 2013 and was subject to the activation fee of section 4903.06, it was not required to file the declaration specified by section 4903.05(c). (Petition 5:14-5:28.)

In *Montelongo v. Gelson's Market* (February 11, 2022, ADJ2193346) [2022 Cal. Wrk. Comp.P.D. LEXIS 41] (Workers' Compensation Appeals Board (WCAB) panel<sup>3</sup> decision), we discussed the circumstances giving rise to the amendments of sections 4903.05 and 4903.06 as follows:

Sections 4903.05 and 4903.06 were added by Senate Bill (SB) 863 in 2012, and became effective January 1, 2013. Section 4903.05 was amended in 2016 by SB 1160 to add subdivision (c), the declaration requirement. The declaration requirement was described as an "anti-fraud measure." (Sen. Rules Com., Off. of Sen. Floor Analysis, Analysis of Sen. Bill No. 1160 (2015-1016 Reg. Sess.), as amended August 29, 2016, p. 4.) The anti-fraud measures in SB 1160 were described as follows:

14) Requires, for liens filed on or after January 1, 2017, a lien filer to Specify in the lien filing the basis upon which the lien is authorized.

15) Requires these same data elements to be added to pre-existing liens, but allows until July 1, 2017, for lien filers to comply.

16) Provides that the failure to comply with the requirements noted above results in a dismissal of the lien with prejudice (Ibid.)

The Analysis of SB 1160 commented on the anti-fraud measures contained in the bill as follows:

In a recent letter to the Commission on Health and Safety and Workers' Compensation, the author of SB 1160 identified fraud in the workers' compensation system as a fundamental challenge. Specifically, the letter cited the recent press coverage by the Center of Investigative Reporting, which detailed more than \$ 1 billion in fraudulent activity by a variety of medical providers. The schemes have one common feature: the use of the workers' compensation lien system to monetize the fraud. Despite the criminal charges, medical bills and workers' compensation liens from doctors charged or [\*5] even convicted of medical fraud continue to be pursued. Please see Senate Labor and

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<sup>3</sup> Unlike en banc decisions, panel decisions are not binding precedent on other Appeals Board panels and WCJs. (See *Gee v. Workers' Comp. Appeals Bd.* (2002) 96 Cal.App.4th 1418, 1425, fn. 6 [67 Cal.Comp.Cases 236].) However, panel decisions are citable authority and we consider these decisions to the extent that we find their reasoning persuasive, particularly on issues of contemporaneous administrative construction of statutory language. (See *Guitron v. Santa Fe Extruders* (2011) 76 Cal.Comp.Cases 228, 242, fn. 7 (Appeals Board en banc); *Griffith v. Workers' Comp. Appeals Bd.* (1989) 209 Cal.App.3d 1260, 1264, fn. 2 [54 Cal.Comp.Cases 145].) Here, we refer to these panel decisions because they considered a similar issue.

Industrial Relations Committee policy analysis for an example of these schemes.

*Overall, DWC places the dollar amount of liens held by providers who have been charged or convicted of workers' compensation fraud at \$ 600 million - or 17% of all liens in the system.*

SB 1160 addresses fraud in the workers' compensation lien process in three ways:

...

Second, ***SB 1160 requires all lien claimants to file a declaration as to which specific category provided under existing law allows the claimant to file a lien.*** As the statute that provides the specific categories for filing a lien is unchanged by SB 1160, the causes for filing a lien under existing law remain unchanged by SB 1160 - including denied industrial injuries. The only change is that a lien claimant must now file a declaration to support an assertion of rights. (*Id.*, at p. 6, italics in the original, bold added.)

The legislative intent for the amendment of section 4903.05 to add the declaration requirement was to impose that requirement on "all lien claimants." (*Ibid.*) Section 4903.05(c)(1) addresses the declaration requirement for those liens filed after January 1, 2017, and section 4903.05(c)(2) addresses the declaration requirement for those liens filed before January 1, 2017.

Moreover, and contrary to lien claimant's contention, the purpose of the lien filing fee of section 4903.05 and the lien activation fee of section 4903.06 are not qualitatively different. They were both enacted to deter the filing of frivolous liens:

One of the reforms recommended by the Commission Report is the institution of a lien filing fee in order to deter the filing of liens generally, and particularly to deter the filing of frivolous liens.

SB 863 imposes a \$ 150 filing fee for all liens filed on or after January 1, 2013. Cal. Lab. Code § 4903.05(c)(1). Plaintiffs do not challenge the filing fee in this action. More pertinently, SB 863 imposes a \$100 "activation fee" for pending liens filed prior to January 1, 2013... The purpose of these fees, according to a report of the State Assembly's Committee on Insurance, is to "provide a disincentive to file frivolous liens." (*Angelotti Chiropractic v. Baker* (9th Cir. 2015) 791 F.3d 1075, 1079 [80 Cal. Comp. Cases 672], emphasis added.)

(*Id.* at pp. 4-5.)

Based on the foregoing, the panel concluded “we will not - and cannot upset the legislative intent of the declaration requirement as requested by lien claimant.” (*Id.* at p. 6.) Other panels of the Appeals Board have reached similar conclusions, including *Carrillo v. Troon Golf Management* (January 13, 2025, ADJ4642758) and *Cornejo v. Sears Holding Corp.* (March 11, 2025, ADJ7580462) [2025 Cal. Wrk. Comp. P.D. LEXIS 65.]

Lien claimant advances the argument that all liens filed between 2006 and 2012 would be exempt from the lien declaration required under section 4903.05(c). However, for the reasons discussed in *Montelongo, supra*, we conclude that the Legislature intended the declarations required under section 4903.05(c) to apply to all section 4903(b) medical treatment liens filed prior to January 1, 2017. We acknowledge lien claimant’s arguments that contemporaneous DWC Newslines caused lien claimant to infer that its lien, filed prior to January 1, 2013, was not subject to the required declaration under section 4903.05(c). However, as we have previously stated, and as lien claimant’s Petition acknowledges, while “[t]he DWC periodically issues Newslines to provide informal guidance for the workers’ compensation community ... the authority to adopt rules and regulations rests with the Appeals Board. (Lab. Code, § 5307; see Lab. Code, § 111.)” (*Hernandez v. Henkel Loctite Corp.* (2018) 83 Cal.Comp.Cases 698, 702, fn. 6 [2018 Cal. Wrk. Comp. LEXIS 23] (Appeals Board en banc).)

Here, lien claimant filed its lien prior to January 1, 2017, and was therefore required to file a declaration under section 4903.05(c). Because no such declaration was timely filed, the lien was dismissed by operation of statute on July 3, 2017. We therefore agree with the WCJ that the WCAB retains no jurisdiction over the lien claim. (Finding of Fact No. 2.) We will deny reconsideration, accordingly.

For the foregoing reasons,

**IT IS ORDERED** that the Petition for Reconsideration is **DENIED**.

**WORKERS' COMPENSATION APPEALS BOARD**

**/s/ JOSEPH V. CAPURRO, COMMISSIONER**

**I CONCUR,**

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

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



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

**MARCH 23, 2026**

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

**STATE COMPENSATION INSURANCE FUND  
SOUTHLAND SPINE AND REHABILITATION MEDICAL CENTER**

***DLM/pm***

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