

**Settlement of Workers' Compensation Cases**  
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Many times, I am asked about the settlement of Workers' Compensation cases.

Once a case is filed at the Workers' Compensation Commission, it can either proceed to hearing or be settled. If it proceeds to hearing, evidence is presented by both the employee and the employer, usually by their respective attorneys, and a decision is eventually reached by an Arbitrator. Once the Arbitrator's decision is reached, either side may file an appeal within the 30 days of the hearing. It is important to note that if a condition is found to be work-related, the claimant's medical rights remain open for life for the results of that injury.

A settlement is a compromise of the issues in the claim which is reached between the parties. All settlements must be approved by the Illinois Workers' Compensation Commission. A form has been provided by the Workers' Compensation Commission for such settlements. This form is pink in color and contains two sides of information to be filled out with respect to every settlement.

The front side of the settlement contract is general information about the claim. The back of the form requires that the claimant sign the settlement contracts acknowledging certain facts regarding the settlement. In addition, the claimant's attorney and the attorney for the insurance carrier or employer must also sign. Once all three parties have signed, the settlement must be sent to the Arbitrator assigned the case, or the Commissioner if the case is on appeal, who looks at the settlement with a medical report. If the settlement is found to be fair, the Arbitrator or Commissioner stamps it "approved" acknowledging that the settlement is final.

It should be noted that by settling a case, the claimant is giving up certain rights. These rights are printed in bold face type on the settlement contract provided by the Workers' Compensation Commission. A claimant who settles a workers' compensation case is giving up the right to submit the case to arbitration. The claimant is also giving up the right to have the decision of an Arbitrator submitted to the Workers' Compensation Commission for review. A claimant further gives up the right to further medical treatment for the results of the accident at the employer's expense and the right to additional benefits if the condition worsens further as a result of the accident. It should be noted that in the past few years, this writer has found that cases proceed to arbitration and then to review take about two years to resolve. There has been enacted certain procedures recently to shorten this time period.

If a claimant settles a workers' compensation case without being represented by an attorney, usually that claimant must appear at the Workers' Compensation Commission with an attorney for the insurance carrier or employer. An arbitrator then looks at the settlement and either stamps it "approved," rejects it, or makes a recommendation.

It should be noted that a claimant that settles a case without having the pink settlement contract approved by the Workers' Compensation does not have a valid settlement. Even if money has been received by a claimant where the settlement has not been approved by the Workers' Compensation Commission, a claim can still be filed even though the three year statute of limitations runs out. Thus, if a claimant has settled a claim without having a pink settlement contract approved by the Workers' Compensation Commission, one should further investigate any legal rights they may have.

These few facts that I have noted in this article do not cover all of the circumstances which can happen in a workers' compensation settlement. Competent legal counsel should be consulted when there are any questions regarding a workers' compensation settlement.