

# DEPARTMENT OF LABOR AND EMPLOYMENT

## Division of Workers' Compensation

### 7 CCR 1101-3

## WORKERS' COMPENSATION RULES OF PROCEDURE

### **Rule 7        Closure of Claims, Approval of Settlement Agreements and Petitions to Reopen**

#### 7-2        CONTENT AND APPROVAL OF SETTLEMENT AGREEMENTS

- (A)        When the parties enter into a full and final settlement of a claim, they shall use the appropriate form settlement agreement prescribed by the Division of Workers' Compensation. The parties shall not alter the prescribed form, except as set out in subparagraphs (1) and (2) below. Parties who are settling a claim for a fatality are not required to use the Division's prescribed form settlement agreement.
  - (1)        When the claimant is represented by counsel the parties shall use the "Workers' Compensation Claim(s) Settlement Agreement: Represented Claimant." The parties may include terms in Paragraph 9(A) that are both specific to that agreement and involve an issue or matter that falls within the Workers' Compensation Act. The parties may attach other written agreements to the prescribed form and may refer to these agreements in Paragraph 9(B) of the settlement agreement. These other written agreements may include a Workers' Compensation Medicare Set-Aside Arrangement (WCMSA), an agreement involving employment, or a waiver of bad faith. These other written agreements attached to a settlement agreement shall not be reviewed and approval of the settlement agreement does not constitute approval of any written agreement attached to the settlement agreement. If a represented claimant does not wish to waive the right to an appearance before the Director to review the terms of the agreement, a settlement proceeding shall be scheduled with the Division's Pre-Hearing Unit.
  - (2)        When the claimant is unrepresented the parties shall use the "Pro Se (Unrepresented) Workers' Compensation Claim(s) Settlement Agreement." The parties may include terms in Paragraph 9(A) that are both specific to that agreement and involve an issue or matter that falls within the Workers' Compensation Act. The parties may attach a Workers' Compensation Medicare Set-Aside Arrangement (WCMSA) to the prescribed form and may refer to the WCMSA in Paragraph 9(B) of the settlement agreement. The parties shall not attach any other written agreement to the settlement agreement. A settlement proceeding shall be scheduled with the Division's Pre-Hearing Unit to consider approval of this agreement.
- (B)        The parties shall file the original, with all original signatures, plus two copies of a settlement agreement and a completed settlement routing sheet. The settlement agreement must be signed by all parties with the claimant's signature verified by a Notary Public consistent with the Notaries Public Act. A proposed order in the form prescribed by the Division must also be provided.

- (C) Parties requesting approval of a stipulation resolving one or more issues in dispute shall submit a motion for approval of joint stipulation to the Director or an ALJ and should not use the Division's prescribed form settlement agreement.