

 <p>HAWAII HEALTH SYSTEMS CORPORATION <i>Quality Healthcare for All</i></p> <p>PROCEDURE</p>	<p>Department:</p> <p>Human Resources</p>	<p>Procedure No.</p> <p>HR 0014B</p>
		<p>Supersedes Procedure No.</p>
<p>Subject:</p> <p>Workers' Compensation Stipulation and Settlement Agreement and Orders</p>	<p>Approved By:</p> <p><i>Linda Rosen</i></p> <p>By: Linda Rosen, M.D., M.P.H. Its: President & CEO</p>	<p>Approved Date:</p> <p>September 23, 2021</p> <p>Last Reviewed:</p> <p>February 11, 2021</p>

I. PURPOSE:

To establish procedures for evaluating and resolving Workers' Compensation claims through execution of Workers' Compensation Stipulations and Settlement Agreement and Orders ("WC Settlement Agreement") following review by the Hawaii Health Systems Corporation (HHSC) executive with Settlement Authority, of a detailed case analysis prepared by the Third Party Administrator (TPA) or counsel engaged by HHSC. These procedures cover all HHSC Regions and the HHSC Corporate office.

II. PROCEDURES:

- A. Whenever determined appropriate, by the HHSC Regional or Corporate executive management or their respective designee after review of a detailed case analysis prepared by the TPA or counsel engaged by HHSC, HHSC shall attempt to settle Workers' Compensation claims that result in Claimant's permanent partial disability awards exceeding \$10,000.
- B. The respective facility, regional or Corporate WC Personnel shall ensure that the TPA or attorney engaged by HHSC timely submits a detailed case analysis of each permanent partial disability claim, including amounts that the TPA or counsel estimate will permit HHSC to close the claim.
- C. Settlement Authority obtained from the respective Regional CEO, Regional System Board, or in the case of a Corporate employee, the PCEO.
- D. Upon receipt of instructions from the Settlement Authority to settle the claim, WC personnel shall authorize the TPA or counsel engaged by HHSC, to negotiate the terms and conditions of the settlement with the Claimant. Negotiations by TPA or counsel with a Claimant prior to receipt of authorization to settle is prohibited and any compromise or agreement arising from such prohibited negotiations may be deemed void and unenforceable by the Settlement Authority.
- E. Upon agreement of the terms and conditions of settlement a written Workers' Compensation Settlement Agreement shall be prepared by the TPA or HHSC counsel.

- F. WC Personnel, in consultation with the TPA and HHSC counsel if necessary, shall ensure that the terms and conditions of the WC Settlement Agreement relate solely to Claimant's Workers' Compensation claim and no other labor or employment dispute.
- G. To the extent possible, the form of the WC Settlement Agreement shall be standardized as across the system. Should changes be necessary, the WC Personnel shall have the TPA review and approve the changes before amending the form of WC Agreement. WC Personnel, in consultation with the TPA or HHSC counsel shall ensure that the WC Settlement Agreement is consistent in form with then current HHSC standardized form of WC Settlement Agreement.
- H. WC Settlement Agreements involving Claimants employed by Regions shall be signed by the respective Regional CEO or designee. WC Settlement Agreements involving Corporate office employees shall be signed by the President & CEO or designee.
- I. A global settlement of Workers' Compensation claims and labor or employment disputes shall be memorialized in separate agreements. The WC Personnel shall ensure that HHSC counsel involved in the labor or employment disputes prepares a settlement agreement that only incorporates those terms and conditions related to those disputes. The WC Settlement Agreement shall only contain terms and conditions related to the Workers' Compensation claim.

III. ATTACHMENT(S):

None