

The & mmonwealth of Ma. chusetts

-- Division of Industrial Accidents

Leverett Saltonstull Building, Government Center 100 Cambridge Street, Boston 02202

I.A.B. FILE NO.

February 6, 1986

CIRCULAR LETTER NO. 220

TO: ALL INSURANCE COMPANIES, ALL SELF-INSURERS, AND WORKMEN'S COMPENSATION AGENTS OF DEPARTMENTS OF THE COMMONWEALTH AND COUNTIES, CITIES, TOWNS AND DISTRICTS SUBJECT TO THE WORKMEN'S COMPENSATION LAW (GENERAL LAWS, CHAPTER 152, AS AMENDED).

RE: Change in procedure for approval of lump sums under new Board rule IX effective April 1, 1986.

On April 1, 1986 the Division of Industrial Accidents will be replaced by the Department of Industrial Accidents. In order to confront the problem that arises relative to approval of lump sums on or after April 1, 1986, the Board at its meeting of February 3, 1986 voted to repeal present Board rule IX and replace it with new Board rule IX that reads as follows:

- 1. All agreements to redeem any liability for compensation in whole or in part by the payment by the insurer of a lump sum in injuries occurring on or before October 31, 1986, shall be assigned for lump sum conference before an administrative judge. The administrative judge shall consider the merits of the proposed agreement and recommend approval or disapproval to the Commissioner of Industrial Accidents. The responsibility for final approval or disapproval of the lump sum shall reside with the Commissioner. The Commissioner shall report his decision with respect to approval or disapproval within a reasonable time.
- 2. Payment of weekly compensation shall not be suspended upon the execution of an agreement to redeem liability under section 48 of the chapter, but shall be continued, and upon approval of such agreement by the Commissioner, the insurer shall be entitled to deduct from the lump sum the amount of weekly payments made subsequent to the date of such agreement unless otherwise ordered.
- 3. Unless otherwise ordered conferences for the consideration of agreement to redeem liability for injuries on or prior to October 31, 1986, shall be had when application therefor is made to the department and set by the department for such consideration on a date and at a place of which notice is given to all parties.

- 4. Unless otherwise ordered insurer shall, when making disbursement under an agreement to redeem liability approved by the Commissioner, make payment by mail directly to each individual (party, doctor, attorney or other person) entitled to payment thereunder as specified by the Commissioner in the notice of approval of said agreement.
- 5. If the employee is a minor the agreement to redeem liability shall be signed by the minor and his parent, guardian or next friend.

Very truly yours,

Francis J. Joyce Secretary

FJJ/mar