

Indian River County, Florida
Memorandum

TO: Board of County Commissioners
THRU: John A. Titkanich, Jr., County Administrator
FROM: Cynthia Stanton, Risk Manager
DATE: September 24, 2024
SUBJECT: Workers Compensation Settlement
Leonie Pratt – Lt. Corrections Officer

BRIEF HISTORY OF CLAIMANT AND OF CLAIM:

Leonie Pratt is 62-year-old retired female Corrections Officer. She started with the County in March 1998 and retired in September 2015. Ms. Pratt had a total of five Worker’s Compensation (WC) claims during her tenure at the Sheriff’s office of which two (2) claims currently remain open. A right knee claim on February 22, 2006, and a hypertension claim on March 2, 2014.

1. February 22, 2006

Claimant was restraining an inmate when she slipped, resulting in injury to her right arm and right leg. This accident and related injuries were accepted as compensable. She has had a significant amount of medical treatment regarding this claim, including multiple knee surgeries and a right shoulder surgery. She was placed at Maximum Medical Improvement (MMI) with a 2% impairment rating on May 23, 2016, for her right shoulder. She was placed at MMI for her right knee with an 8% impairment rating and has been recommended to have a total right knee replacement surgery. Current reserves and expenses are:

<u>Paid to Date</u>		<u>Outstanding Reserves</u>
Expenses	\$57,310.19	\$22,689.81
Indemnity	\$114,477.15	\$10,522.85
Medical	\$221,180.69	\$128,819.31 (TKR & Rehab)
Total Paid	\$392,968.03 (\$400,000 SIR)	\$162,031.97

2. March 2, 2014

Claimant experienced chest pain and was diagnosed with hypertension. Claimant was placed at MMI with a 14% impairment rating on October 7, 2014. She received authorized treatment with several providers due to multiple relocations and continues to treat. Current reserves and expenses are:

<u>Paid to Date</u>		<u>Outstanding Reserves</u>
Expenses	\$23,032.97	\$2,467.03
Indemnity	\$29,698.36	\$0
Medical	\$102,722.26	\$42,277.74
Total Paid	\$155,453.59	\$44,744.77

MEDICAL HISTORY:

Diagnosis

Right shoulder impingement syndrome

Right ankle sprain

Right knee chondromalacia of patella requiring a total knee replacement

Hypertension

Surgeries

Right knee arthroscopic partial meniscectomy and patella chondroplasty.

Articular cartilage implant.

Right knee arthroscopy

Articular cartilage implantation of the right knee

Right Shoulder surgery

Left heart catheterization

Total right knee replacement

Claimants had a significant amount of medical treatment for her occupational injuries with total expenses of \$548,421.62 on these two claims. Since retirement, she has been traveling with her daughter, who is active in the military and claimant has been tending to her grandchildren. She has lived in Jacksonville, Louisiana, Georgia, and Hawaii, which complicates her medical treatment as a new medical provider must be assigned every time she moves. Claimant also needs a total right knee replacement but has not been able to have the surgery due to complications with personal medical issues. Currently, she is receiving pain management for her right knee until she is eligible for surgery and treating with a cardiologist for her hypertension.

SETTLEMENT SUMMARY:

A state mediation was held on November 14, 2023, which resulted in an impasse. The initial settlement demand was over \$300,000.00 and County's initial offer was \$35,000. On August 30, 2024, a private mediation was held and both parties agreed to a contingent settlement offer of \$125,000 to settle all of claimants WC claims. Future medical expenses are reserved at \$171,097.05 which includes the cost of an anticipated total knee replacement.

The settlement of \$125,000 is a global settlement of all claims, fees, and future medical expenses. It is contingent on Indian River County Board of Commissioners and the excess

carriers' final approval. At this time a Medicare Set-Aside for future medical expenses is not needed based on claimant's age.

The settlement will be broken down by claim with \$85,000 to settle the knee claim on February 22, 2006, and \$40,000 to settle the hypertension claim on 03/02/2014, as well as satisfying all previously closed WC claims.

The February 22, 2006, knee claim has a \$400,000 SIR with a current amount paid of \$392,968.03. Indian River County would be responsible for an additional \$7,031.97 to reach the SIR threshold, and the excess carrier would then reimburse the County \$77,968.03 of the \$85,000 settlement amount. Therefore, Indian River County would only pay a total of \$47,031.97 of the \$125,000 total settlement amount. The County has received approval from the excess carrier to settle both claims accordingly.

Following mediation, the contingent settlement of \$125,000 was reviewed by John Titkanich, Susan Prado, Christopher Hicks, Elise Kriss, Cynthia Stanton, and Nathan McCollum. All agreed the County should move forward with the proposed settlement amount.

FUNDING:

The final settlement in the amount of \$125,000 will be paid out of the Self-Insurance Fund/Risk Management/Workers Compensation account, number 50224619-012140 with an anticipated reimbursement of \$77,968.03 from the excess carrier.

Account Description	Account Number	Amount
Self-Insurance Fund/Risk Management/Workers Compensation Account (Expense)	50224619-012140	\$125,000.00
Self Insurance Fund/Reimbursements (Revenue)	502038-369940	\$77,968.03
	Net Cost	\$47,031.97

RECOMMENDATION:

This claim was evaluated by the County's defense counsel, excess carrier, and the County staff listed above; and it is recommended that the Board of County Commissioners approve the final settlement of \$125,000 to resolve this claim.