

**WORKERS' COMPENSATION APPEALS BOARD
STATE OF CALIFORNIA**

MARIA AGRAZ, *Applicant*

vs.

**SACHIN AND SHAILI DESAI;
STILLWATER INSURANCE COMPANY, administered by
LWP CLAIMS SOLUTIONS, *Defendants***

**Adjudication Number: ADJ19131469
Anaheim District Office**

**OPINION AND ORDER
DISMISSING PETITION FOR
RECONSIDERATION**

Lien claimant, Optimal Health Medical Center, through its attorney, seeks to set aside, or in the alternative, seeks reconsideration of the Order Approving Compromise and Release (OACR) that was approved by the workers' compensation administrative law judge (WCJ) on June 13, 2025.

Lien claimant contends, in relevant part, that the OACR of the third-party settlement should be set aside as its lien was not addressed before the settlement was approved.

We received an Answer to the Petition from the defendant.

We received a Report and Recommendation (Report) from the WCJ, wherein she recommends that the Petition to Set Aside the OACR be deferred, the Petition for Reconsideration be denied, and the matter be returned to the trial level.

We have considered the allegations of lien claimant's Petition, the Answer, and the contents of the Report. Based on our review of the record, and for the reasons stated below, we will dismiss the Petition for Reconsideration as lien claimant is not aggrieved.

FACTS

We will briefly review the relevant facts.

Applicant claimed that while employed by homeowners, Sachin and Shaili Desasi, as a housekeeper, she sustained a specific injury on March 4, 2023 to the neck, right arm, low back, hips, right leg, and right toes.

Notwithstanding the dispute regarding compensability, parties resolved the matter by way of a Third-Party Compromise and Release (C&R) for \$65,000. The parties filed the February 12, 2025 permanent and stationary report by Andrew Shen, M.D., from Optimal Health Medical Center with the C&R. In the C&R, the parties agreed that: “defendants to adjust and/or litigate duly filed liens for treatment or disability benefits paid.” (C&R at p. 4, para. 5.)

On June 13, 2025, the WCJ issued an OACR. On the same day, defendant served the walk through appearance sheet, minutes of hearing, C&R and OACR to potential lien claimants including Optimal Health Medical Center.

On June 17, 2025, Optimal Health Medical Center filed a Notice and Request for Allowance of Lien.

On June 19, 2025, Optimal Health Medical Center then filed and served “Lien Claimant’s Petition to Set Aside Compromise and Release dated 6/3/2025 or in the alternative[,] Petition for Reconsideration.”

DISCUSSION

I.

Former Labor Code section 5909¹ provided that a petition for reconsideration was deemed denied unless the Appeals Board acted on the petition within 60 days from the date of filing. (Lab. Code, § 5909.) Effective July 2, 2024, section 5909 was amended to state in relevant part that:

- (a) A petition for reconsideration is deemed to have been denied by the appeals board unless it is acted upon within 60 days from the date a trial judge transmits a case to the appeals board.
- (b)
 - (1) When a trial judge transmits a case to the appeals board, the trial judge shall provide notice to the parties of the case and the appeals board.

¹ All section references are to the Labor Code, unless otherwise indicated.

(2) For purposes of paragraph (1), service of the accompanying report, pursuant to subdivision (b) of Section 5900, shall constitute providing notice.

Under section 5909(a), the Appeals Board must act on a petition for reconsideration within 60 days of transmission of the case to the Appeals Board. Transmission is reflected in Events in the Electronic Adjudication Management System (EAMS). Specifically, in Case Events, under Event Description is the phrase “Sent to Recon” and under Additional Information is the phrase “The case is sent to the Recon board.”

Here, according to Events, the case was transmitted to the Appeals Board on July 2, 2025, and 60 days from the date of transmission is Sunday, August 31, 2025. The next business day that is 60 days from the date of transmission is Tuesday, September 2, 2025. (See Cal. Code. Regs., tit. 8, § 10600(b).² This decision is issued by or on Tuesday, September 2, 2025, so that we have timely acted on the petition as required by section 5909(a).

Section 5909(b)(1) requires that the parties and the Appeals Board be provided with notice of transmission of the case. Transmission of the case to the Appeals Board in EAMS provides notice to the Appeals Board. Thus, the requirement in subdivision (1) ensures that the parties are notified of the accurate date for the commencement of the 60-day period for the Appeals Board to act on a petition. Section 5909(b)(2) provides that service of the Report and Recommendation shall be notice of transmission.

Here, according to the proof of service for the Report and Recommendation by the workers’ compensation administrative law judge, the Report was served on July 2, 2025, and the case was transmitted to the Appeals Board on July 2, 2025. Service of the Report and transmission of the case to the Appeals Board occurred on the same day. Thus, we conclude that the parties were provided with the notice of transmission required by section 5909(b)(1) because service of the Report in compliance with section 5909(b)(2) provided them with actual notice as to the commencement of the 60-day period on July 2, 2025.

² WCAB Rule 10600(b) (Cal. Code Regs., tit. 8, § 10600(b)) states that:

Unless otherwise provided by law, if the last day for exercising or performing any right or duty to act or respond falls on a weekend, or on a holiday for which the offices of the Workers' Compensation Appeals Board are closed, the act or response may be performed or exercised upon the next business day.

II.

We observe that contract principles apply to settlements of workers' compensation disputes. The legal principles governing compromise and release agreements are the same as those governing other contracts. (*Burbank Studios v. Workers' Co. Appeals Bd. (Yount)* (1982) 134 Cal.App.3d 929, 935 [47 Cal.Comp.Cases 832].) For a compromise and release agreement to be effective, the necessary elements of a contract must exist, which includes the mutual consent of the parties. (Civ. Code, §§ 1550, 1565, 1580; *Yount, supra*.) Put another way, there can be no contract unless there is a meeting of the minds and the parties mutually agree upon the same thing. (Civ. Code, §§ 1550, 1565, 1580; *Sackett v. Starr* (1949) 95 Cal.App.2d 128, 133; *Sieck v. Hall* (1934) 139 Cal.App. 279, 291; *American Can Co. v. Agricultural Ins. Co.* (1909) 12 Cal.App. 133, 137.)

Since a compromise and release is a written contract, the parties' intention should be ascertained, if possible, from the writing alone, and the language of the contract governs its interpretation, if the language is clear and explicit, and does not involve an absurdity. (Civ. Code, §§ 1638, 1639; *TRB Investments, Inc. v. Fireman's Fund Ins. Co.* (2006) 40 Cal.4th 19, 27 (*TRB Investments*).) A contract must be so interpreted as to give effect to the mutual intention of the parties as it existed at the time of contracting, so far as the same is ascertainable and lawful. (Civ. Code, § 1636; *TRB Investments, supra*, at 27; *County of San Joaquin v. Workers' Compensation Appeals Bd. (Sepulveda)* (2004) 117 Cal.App.4th 1180, 1184 [69 Cal.Comp.Cases 193].)

Pursuant to section 5900(a):

Any person *aggrieved directly or indirectly* by any final order, decision, or award made and filed by the appeals board or a workers' compensation judge under any provision contained in this division, may petition the appeals board for reconsideration in respect to any matters determined or covered by the final order, decision, or award, and specified in the petition for reconsideration.

A lien claimant is not an aggrieved party for the purpose of filing a petition for reconsideration of an OACR, if the C&R, between the employer/carrier and the employee, does not include a final resolution of the lien claim. (*The Permanente Medical Group v. Workers' Comp. Appeals Bd. (Williams)* (1977) 73 Cal.App.3d [42 Cal.Comp.Cases 745]; *Oliver and Winston Inc. v. Workers' Comp. Appeals Bd. (Gregg)* (1983) 48 Cal.Comp.Cases 814 (writ denied).)

Here, lien claimant was not a party to the C&R and any issues regarding the right to payment for medical treatment provided to applicant were reserved in the C&R. The C&R at issue

clearly states that defendant will “adjust and/or litigate duly filed liens for treatment or disability benefits paid.” (C&R at p. 4, para. 5.) Thus, while the OACR constitutes a final order with respect to applicant and defendant, the parties to the third-party C&R, lien claimant is not a party to the C&R, and thus, it is not bound by it, and it cannot challenge it.

Moreover, lien claimant is not indirectly aggrieved by the OACR because its lien does not fall under section 4903(a)(c)(d)(e), and unlike a lien by a prior applicant’s attorney, or for living expenses, its lien is not payable against applicant’s award of temporary disability or permanent disability benefits. Instead, its lien is for payment for medical treatment, so that it is filed pursuant to section 4903(b), and is potentially payable by defendants directly. Proceedings for recovery under section 4903(b) are generally conducted in separate proceedings after the case in chief is resolved.

In the instant case, there was a mutual intent that defendant would adjust or litigate any timely and properly filed liens. Thus, there is no justification or reasonable basis for lien claimant to assert that the OACR was a final order with respect to lien claimant. Since the lien claimant here is not “aggrieved directly or indirectly” by the OACR, the Petition for Reconsideration is dismissed.

For the foregoing reasons,

IT IS ORDERED that lien claimant's Petition for Reconsideration of the Order Approving C&R issued by the WCJ on June 13, 2025 is **DISMISSED**.

WORKERS' COMPENSATION APPEALS BOARD

/s/ KATHERINE A. ZALEWSKI, CHAIR

I CONCUR,

/s/ JOSEPH V. CAPURRO, COMMISSIONER

/s/ PAUL F. KELLY, COMMISSIONER



DATED AND FILED AT SAN FRANCISCO, CALIFORNIA

September 2, 2025

SERVICE MADE ON THE ABOVE DATE ON THE PERSONS LISTED BELOW AT THEIR ADDRESSES SHOWN ON THE CURRENT OFFICIAL ADDRESS RECORD.

**OPTIMAL HEALTH MEDICAL CENTER
LEWIS, BRISBOIS, BISGAARD & SMITH
LAW OFFICES OF JIE CI DING, INC.**

JL/abs

I certify that I affixed the official seal of
the Workers' Compensation Appeals Board
to this original decision on this date.
KL