

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

JOSEPH MICHAELS, *Applicant*

vs.

**ENTERTAINMENT PARTNERS; AIU INSURANCE, administered by
GALLAGHER BASSETT SERVICES, *Defendants***

**Adjudication Number: ADJ11409207
Los Angeles District Office**

**OPINION AND DECISION
AFTER RECONSIDERATION**

Applicant petitioned for reconsideration of the Findings of Fact and Order issued by the workers' compensation administrative law judge (WCJ) in this matter and served on August 12, 2024. In that decision, the WCJ found that applicant sustained injury arising out of and in the course of employment (AOE/COE) to his cervical spine, head, and traumatic brain injury, and claims to have sustained injury to his lumbar spine, thoracic spine, eyes, nose, circulatory system, heart, nervous system, psyche, reproductive system, and endocrine system.

The WCJ also found, in pertinent part, that the Utilization Review (UR) denials by defendant issued in response to Dr. David Patterson's February 20, 2024, April 3, 2024 and April 11, 2024 requests for authorization (RFA) were timely, and that both applicant's ongoing inpatient residential rehabilitation stay care and transitional living center day treatment rehabilitation program were not prematurely terminated.

Additionally, the WCJ found that while defendant violated Labor Code section 4610(i)¹ and AD rule 9792.9.1(e)(6)(A)² by failing to provide a safe discharge plan for applicant from ongoing inpatient residential care, the applicant failed to provide substantial medical evidence to support the request for such ongoing care as being reasonable and necessary.

¹ All further references are to the Labor Code unless otherwise stated.

² Cal. Code Regs., tit. 8 § 9792.9.1(c)(3).

Finally, the WCJ found that defendant failed to meet its burden of showing by substantial medical evidence that applicant's condition and circumstances changed warranting the cessation of home healthcare services and the need for a registered nurse, as there is substantial evidence supporting the request for same, and that defendant's May 6, 2024 UR decision is based on incorrect facts.

Petitioner asserts that under the case of *Patterson v. The Oaks Farm*³, applicant's inpatient care should not have been terminated. Further, that it is defendant who bears the burden to show that previously authorized treatment is no longer reasonable and necessary. Petitioner also argues that the WCJ misconstrued the requirements of section 4610(i)(4)(C) as it relates to a violation of a safe discharge plan by defendant, entitling applicant to continued inpatient stay.

Defendant did not file an Answer. The WCJ filed a Report and Recommendation on Petition for Reconsideration (Report) recommending denial of the Petition.

Thereafter, we issued an order granting the petition, pending further review of the entire record.

Subsequently, the parties successfully participated in a voluntary mediation at the Appeals Board, and resolved the matter by Third-Party Compromise and Release.

On April 16, 2026, the parties filed a fully executed C&R agreement, and requested return of the matter to the trial level for review of the proposed settlement.

In order to expedite review and approval of the parties' settlement agreement, we will rescind the August 12, 2024 Findings and Order, and return this matter to the WCJ to consider the C&R of the parties. The WCJ may conduct such further proceedings as is deemed appropriate.

Our decision should not be construed as a ruling on the merits of the petition for reconsideration. If the WCJ does not approve the settlement, the WCJ may issue an order reinstating their original decision and any aggrieved person may timely seek reconsideration of the reinstated decision.

Finally, we commend the parties for successfully resolving this matter by joint agreement, without the need for further action by the Appeals Board.

³ *Patterson v. The Oaks Farm* (2014) 79 Cal.Comp.Cases 910 (Significant Panel Decision).

For the foregoing reasons,

IT IS ORDERED as the Decision After Reconsideration of the Workers' Compensation Appeals Board that the WCJ's decision of August 12, 2024 is **RESCINDED** and this matter be **RETURNED** to the workers' compensation administrative law judge to consider the Third-Party Compromise and Release and for further proceedings as is deemed appropriate.

WORKERS' COMPENSATION APPEALS BOARD

/s/ JOSÉ H. RAZO, COMMISSIONER

I CONCUR,

/s/ CRAIG L. SNELLINGS, COMMISSIONER

/s/ KATHERINE A. ZALEWSKI, CHAIR



DATED AND FILED AT SAN FRANCISCO, CALIFORNIA

APRIL 17, 2026

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

**JOSEPH MICHAELS
ODJAGHIAN LAW GROUP
MISA STEFEN KOLER WARD
GEORGE P. ROLAND, ESQ.**

LAS/bp

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