

Arizona Full and Final Settlement “Checklist”

Accepted Claims – Ariz. Rev. Stat. 23-941.01

Under this section, parties may settle or release all or part of an accepted claim for compensation, benefits, penalties or interest if the period of temporary disability is terminated by a final notice of claim status, award of the commission or stipulation of the interested parties.

- **Settlement Agreement**

Signed by carrier, special fund or self-insured employer, or an authorized representative of the carrier, special fund or self-insured employer, AND employee or the employee’s authorized representative.

Acknowledgment that employee had the opportunity to seek legal advice and be represented by counsel.

Description of the employee’s medical conditions that have been identified and contemplated at the time of the settlement agreement.

- **Signed “Attestations” including the following:**

Employee understands the rights settled and released

Carrier, special fund or self-insured employer has provided the employee with the following information:

- Medical

- any reasonable anticipated future medical, surgical and hospital benefits relating to the claim;
- projected cost of those benefits and that provides an explanation of how those projected costs were determined; and
- disclosure of the amount of the settlement that represents the settlement of future medical, surgical and hospital costs.

- Indemnity

- total amount of future indemnity benefits, the employee’s rated age, if applicable, life expectancy, source of the employee’s life expectancy, the present value of future indemnity benefits, the discount rate used to calculate present value and the amount of the settlement that represents the settlement of future indemnity benefits.

- Employee understands that monies received for future medical treatment associated with the industrial injury should be set aside to ensure that the costs of such the treatment will be paid.
- Parties have considered and taken reasonable steps to protect any interests of Medicare, Medicaid, The Indian Health Service, and U.S. Department of Veterans Affairs including establishing a Medicare savings account if necessary.
- Parties have conducted a search for and taken reasonable steps to satisfy any identified medical liens and unpaid medical charges.
- Coercion, duress, fraud and misrepresentation or undisclosed additional agreements have not been used to achieve the full and final settlement.
- Approval – You need to obtain Industrial Commission approval.
- Payment -- full and final settlement payment shall be made to the employee w/in 15 days after the award approving the settlement becomes final.
- Notification -- carrier, special fund or self-insured employer shall notify the attending physician of the approval of a full and final settlement if the settlement terminates the employee's entitlement to medical benefits.
- Prior benefits -- unless medical benefits rendered before the approval date of the settlement are subject to a dispute or payment for the treatment was included in the full and final settlement, the carrier, special fund or self-insured employer remains responsible for payment for the treatment not covered by the full and final settlement.

Supportive Medical Maintenance Benefits – Ariz. Rev. Stat. 23-941.03

Under this section, parties may enter into a final settlement and release of a claim for undisputed entitlement to supportive medical maintenance benefits after the period of temporary disability is terminated by a final notice of claim status or award of the commission.

- Settlement must include:

- Carrier, special fund or self-insured employer shall submit a summary of all reasonably anticipated future supportive medical maintenance benefits AND the projected cost of the benefits for review by the employee. This summary must also be included with the final settlement agreement filed with the commission.
- All medical conditions subject to the final settlement agreement must be disclosed within the final settlement agreement.
- The final settlement provisions shall apply only to future supportive medical maintenance benefits for the described condition.

Approval – You need to obtain Industrial Commission approval.

Notification - Carrier, special fund or self-insured employer shall notify the attending physician of the approval of a final settlement agreement.

Prior benefits - unless supportive medical maintenance rendered before the date of the final settlement are subject to a dispute or payment for the treatment was included in the final settlement agreement, the carrier, special fund or self-insured employer remains responsible for payment for the treatment not covered by final settlement agreement as provided by this chapter.

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