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**TO:** Honorable Mayor & Members  
Fort Lauderdale City Commission

**FROM:** Lee Feldman, City Manager

**DATE:** October 16, 2012

**TITLE:** Motion to Approve Settlement of Workers' Compensation File #WC-07-12987 (Kimberly Van Sant) - \$514,319

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**Recommendation**

Staff recommends settlement, and as provided in the City Charter, this settlement has been evaluated by the proper City officials and all concur that a settlement of \$514,319 to Ms. Van Sant is in the City's best interest.

**Background**

This claim is the result of a workers' compensation injury. Ms. Van Sant was working in a City Fire-Rescue vehicle when she came upon what appeared to be a group of teenagers involved in a fight. Ms. Van Sant exited the vehicle and pulled the teen victim out of the crowd when she was injured.

Ms. Van Sant immediately began to experience medical issues directly after this incident. Her medical care has been extensive and ongoing. Ms. Van Sant has been rendered unable to return to work as a Firefighter, and she has been accepted by Social Security for disability, in addition to her receiving City pension disability benefits. The City has accepted her as permanently totally disabled, which affords her workers' compensation benefits for life. The amount paid to date for medical expenses totals \$222,813. Her ongoing medical expenses amount to \$8,000 to \$10,000 per year. Our lost wages exposure totals \$41,756 per year and is subject to yearly increases. Ms. Van Sant has a life expectancy of 36.6 years. Our lifetime exposure on this case is approximately \$1,821,069.

City staff and defense counsel have been in discussions with Ms. Van Sant's attorney to

attempt settlement of this claim for some time. A Medicare Set-A-Side (MSA) account is required and the Center for Medicare/Medicaid Services (CMS) is requiring \$213,711 be set aside for future medical care. The City is funding this CMS requirement through an annuity at the cost of \$139,319.

A tentative settlement has been reached with Ms. Van Sant's attorney that would relieve the City of all future medical and indemnity exposure for a payment of \$375,000 plus the \$139,319 required for the MSA annuity for a total of \$514,319, inclusive of attorney fees.

This settlement was discussed at the October 2<sup>nd</sup>, 2012 executive closed-door session of the City Commission.

**Resource Impact**

There is a fiscal impact to the City in the amount of \$514,319.

Funding for this item is available in Fund 543, Subfund 01, Index Code INS 010101, Subsubject 5125.

FY Year	SUB		FUND NAME	INDEX #	INDEX NAME	SUB		AMOUNT
	FUND	FUND				OBJECT #	SUBJECT NAME	
2012-2013	543	01	City Insurance	INS010101	Self Insurance Claims	5125	Workers' Compensation Claims	514,319
<b>TOTAL</b>								<b>514,319</b>

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Prepared By: Kathleen Thorpe, Claims Adjuster, ext. 5166

Department Director: Averill Dorsett