
BEFORE THE IOWA WORKERS' COMPENSATION COMMISSIONER

IN THE MATTER OF

LATE SETTLEMENT SANCTIONS

ORDER

Settlements occurring less than 24 hours before the scheduled hearing are a common occurrence before this agency. This agency needlessly expends precious and limited resources preparing for hearings in cases which are settled less than 24 hours before the scheduled start time of the hearing. Taxpayer funds should be expended judiciously and wasteful spending should be limited or eliminated when identified and means exist to do so.

Many contested cases are not settled and reported to this agency until the parties are on the verge of hearing. Parties should be encouraged to timely resolve their cases and to timely report their settlements to this agency. The undersigned concludes it is appropriate to order the parties to report the settlement of any contested case proceeding before this agency at least 24 hours before the scheduled start time of the hearing, pursuant to rules 876 Iowa Administrative Code 4.36 and 4.40.

This procedure and order has been in effect under the authority of former Workers' Compensation Commissioner Joseph S. Cortese II. This order does not change or modify the procedures or requirements that have been in effect since Commissioner Cortese's July 1, 2018 order. Therefore, effective immediately, parties are hereby ordered to report any settlement in any contested matter to the Division of Workers' Compensation and to the Deputy Commissioner assigned to hear the case no less than 24 hours before the scheduled start time of the hearing. If a settlement is not reported, or if the settlement is reported less than 24 hours before the scheduled start time of the hearing, or if the case is settled during the hearing, or after the hearing before a decision of a deputy commissioner is issued, the parties shall be sanctioned a total amount of \$300. The sanction shall be assessed in equal proportionate shares against the claimant and the self-insured employer or the insurance carrier(s), unless the parties reach a different arrangement among themselves as part of the settlement for payment of the sanction. See 876 IAC 4.36 and 4.40.

This sanction will not apply in any case where the Second Injury Fund of Iowa is the only defendant and it will not be assessed against the Second Injury Fund in any other case. This sanction will not apply in alternate medical care proceedings. If there is a showing of good cause, this sanction may be waived at the discretion of the hearing deputy. The sanction monies shall be made payable to the Division of Workers' Compensation and sent to the Division of Workers' Compensation, 6200 Park Avenue, Suite 100, Des Moines, IA 50321. The sanction monies will be forwarded by the

Division of Workers' Compensation to the Treasurer of the State of Iowa to be deposited into the Iowa General Fund.

This authority shall continue until further ordered.

Signed and filed this 12th day of December, 2025.



WILLIAM H. GRELL
INTERIM WORKERS'
COMPENSATION COMMISSIONER