



THE BLACKLETTER

on

CALIFORNIA WORKERS' COMPENSATION



*every rule in the corpus, in the courts' own words —
nothing more, nothing less, nothing of ours*

compiled under the direction of
SEAN RICHARD WEBER

named in memory of Richard Weber · 1943–1999

2026 EDITION · CORPUS: 2 DECISIONS · WORKCOMPBENEFITS.ORG/LAW

for

RICHARD WEBER

1943 – 1999



*his name is on the engine,
his birthdays are on its filings,
and this book is his shelf.*

Cite: *The Blackletter on California Workers' Compensation* § __ (2026). Short form: *Blackletter* § __. The section number is the primary pinpoint; each edition is also paginated, and a pin cite may add the edition page: *Blackletter* § 19.3, p. 16 (2026). Page numbers are permanent within an edition (editions are frozen); a new edition may repaginate, which is why the year binds the page.

The census rule. This edition contains only the law stated in its corpus, quoted verbatim. The corpus of this printing is two decisions: *Gaines v. ABM Aviation, Inc.* (2026) ADJ20216367 et al. (Appeals Board en banc), 30 pages, and *DiFusco v. Hands On Spa* (2025) ADJ7445107 (Appeals Board en banc), 17 pages, each retrieved from dir.ca.gov and machine-verified 2026-08-23. Statutes, regulations, and earlier decisions appear only as, and exactly as, those decisions quote them. **If it is not in the corpus, it is not in the book.** Sections awaiting authority are marked reserved and are blank.

Weight. En banc decisions of the Appeals Board are binding precedent on all Appeals Board panels and workers' compensation administrative law judges (see § 1.1). All grades in this printing are ● settled on that basis, within the four corners of the corpus.

Section headings, grades, and cross-references are finding aids; the quotations are the book. Free to read, always. Not legal advice; not a government publication. Free official help for injured workers: DWC Information & Assistance, 1-800-736-7401, dir.ca.gov. Corrections: /about. The engine: U.S. Pat. App. No. 19/782,460 (patent pending). The machinery is patent-pending; the law is free.

This printing, as a single PDF:

[the-blackletter-on-california-workers-compensation-2026.pdf](#)

Preface

Every treatise before this one asked its reader to trust an author. The author read the cases, decided what mattered, and restated the law in the author's words — and the reader's confidence rested, finally, on the author's care. This book makes a different offer. It contains no restatements. Every sentence of law in its body is a court's sentence, quoted verbatim, checked by machine against the source it came from, and shelved at the address where the doctrine lives. Where the courts have not spoken, the page says so and stands blank. Where they disagree, the fork is shown, not smoothed.

The book is compiled by a census, not a selection: every rule-stating line of every decision in its corpus is here, and the corpus of each printing is stated on its edition page. A blank chapter is not unfinished work — it is an honest report that the corpus has not yet reached that shelf. As the corpus grows, the book grows, in public, with its changelog, and nothing once printed is ever silently altered: revisions supersede; they do not erase.

My part is the arrangement, the apparatus, and the promise that the machine checked every quotation — a compiler's part, not an author's. The law belongs to the courts that wrote it and to the workers and employers it governs. It is presented here free, to everyone, because the law of California should cost nothing to read.

S.R.W.

Santa Clarita, California

2026

How to Use This Book

Citing. Cite as *The Blackletter on California Workers' Compensation* § 19.3 (2026); short form *Blackletter* § 19.3. The year is the edition. The section number is the primary pinpoint; each frozen edition is also paginated, so a pin cite may add the page: *Blackletter* § 19.3, p. 16 (2026). Section numbers are permanent: once published, a number never changes meaning.

Reading a section. The quotations are the law and cite as the treatise. Signed chapter overviews are citable as attributed commentary ([Author], *Overview, Blackletter* ch. 19 (2026)); practice notes cite as practice commentary (PN 19.3). Headings, grades, and cross-references are finding aids. Plain-language mirror pages are the one non-citable surface — they simplify for access; the professional section controls. A boxed **HOLDING** is law made by the corpus decision itself, marked with its weight (en banc decisions bind all panels and judges; see § 1.1). Each section's meter line shows two verified facts: the settledness grade (● settled · ◐ split · ○ open/commentary), the authority-status check with its date, and the verification date. **Verification means the quoted text matches its source as of that date. It is not a warranty that the authority remains good law** — always confirm currency before filing.

Finding things. Enter by the Contents, by the Table of Cases (G), the Table of Statutes & Regulations (H), or the Index (I) — all generated from the corpus itself. A chapter marked *reserved* is blank because the corpus has not yet reached it; that is a statement about the corpus, never about the law.

What this book is not. It is legal information, not legal advice, and reading it creates no attorney-client relationship. It is not a government publication. Errors, when found, are recorded publicly and promptly at /about — a book that shows its corrections is asking to be checked, and should be.

A Note on the Engine

This book is assembled, checked, and kept current by a machine method called **RICHARD WEBER** — *Recursive Intelligence through Cascading Hierarchical Architecture with Reduction to Dynamic Work Enhancement via Bidirectional Engagement and Recursion* — the subject of U.S. Patent Application No. 19/782,460 (patent pending), named for the man on the dedication page and filed on his birthday.

In plain terms, the method reads every decision in sequence through configured stages that check one another's work; a later stage may formally dispute an earlier stage's extraction — naming it, quoting it verbatim — and the disputed stage must answer; after the whole corpus is read, the work is re-examined in light of everything learned. Every quotation printed here passed through that discipline and was machine-checked, character by character, against its source. When the machine cannot verify something, it does not guess — it refuses, and the page says so.

The machinery is patent-pending; the law is free. The patent covers the reading and verification machinery — never the law itself, which no one owns. This book may be read, quoted, and cited by anyone, forever, without charge. Use of its text to train machine-learning models is prohibited; preservation copying by libraries and archives is welcomed and licensed.

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CHAPTER 1 · THE SYSTEM

§ 1.1 The Weight of En Banc Decisions

● settled · en banc · quotations verified 8/23/26 · cite: *Blackletter* § 1.1, p. 1 (2026)

“En banc decisions of the Appeals Board are binding precedent on all Appeals Board panels and workers’ compensation administrative law judges.”

(*Gaines v. ABM Aviation, Inc.* (2026) ADJ20216367 *et al.* (Appeals Bd. en banc), fn. 1, citing Cal. Code Regs., tit. 8, § 10325; *City of Long Beach v. Workers’ Comp. Appeals Bd. (Garcia)* (2005) 126 Cal.App.4th 298, 316, fn. 5; *Gee v. Workers’ Comp. Appeals Bd.* (2002) 96 Cal.App.4th 1418, 1424, fn. 6, at p. 1.)

“This en banc decision is also adopted as a precedent decision pursuant to Government Code section 11425.60(b).”

(*Gaines, supra*, at p. 1, fn. 1.)

“En banc decisions of the Appeals Board are binding precedent on all Appeals Board panels and workers’ compensation administrative judges.”

(*DiFusco v. Hands On Spa* (2025) ADJ7445107 (Appeals Bd. en banc), fn. 2 [“administrative judges” so in original], citing Cal. Code Regs., tit. 8, § 10325; *City of Long Beach v. Workers’ Comp. Appeals Bd. (Garcia)* (2005) 126 Cal.App.4th 298, 316, fn. 5; *Gee v. Workers’ Comp. Appeals Bd.* (2002) 96 Cal.App.4th 1418, 1424, fn. 6; accord *Gaines, supra*, at p. 1, fn. 1.)

“Sections 111 and 115 grant statutory authority to the Appeals Board to issue en banc decisions.”

(*DiFusco, supra*, at p. 8.)

“Government Code section 11425.60(b) provides additional authority for the WCAB to designate all or part of a decision “that contains a signification legal or policy determination of general application that is likely to recur” as a “precedent decision,” and our en banc decisions are routinely adopted as precedent decisions.”

(*DiFusco, supra*, at p. 8, fn. 6 [so in original].)

“Upon a unanimous vote of its members, the Appeals Board issues this decision as an en banc decision.”

(*Gaines, supra*, at p. 1, citing Lab. Code, § 115.)

Cross-references: §§ 1.2–1.3, 16.2, 17.1, 19.1–19.6, 20.1–20.2, 21.8–21.10, 22.1, 24.6, 26.1, 26.6 (the corpus’s en banc rules). Remainder of chapter: *reserved*.

§ 1.2 En Banc Precedent: Stare Decisis; No Supersession by Regulation

• settled · en banc · quotations verified 8/23/26 · cite: *Blackletter* § 1.2, p. 2 (2026)

“Appeals Board en banc decisions have the same legal effect as published appellate opinions.”

(*DiFusco, supra, at p. 8, citing Signature Fruit Co. v. Workers’ Comp. Appeals Bd. (Ochoa)* (2006) 142 Cal.App.4th 790, 796, fn. 2.)

“[E]n banc decisions “are binding on panels of the Appeals Board and workers’ compensation judges as legal precedent under the principle of stare decisis.””

(*DiFusco, supra, at p. 8, quoting Cal. Code Regs., tit. 8, § 10325.*)

“The principle of stare decisis means that precedent-setting court opinions may only be overruled by the same court, or a higher court. Hence, an Appeals Board en banc opinion must be followed by panels of the Appeals Board and by all WCJs until rescinded, altered, or overruled by the Appeals Board en banc, overruled by a Court of Appeal or the California Supreme Court pursuant to sections 5950 through 5956, or rendered inapplicable by a legislative enactment.”

(*DiFusco, supra, at p. 8.*)

“[E]n banc opinions of the Appeals Board are not repealed “by implication” and thus, an en banc opinion cannot be “superseded” by the enactment of a regulation.”

(*DiFusco, supra, at p. 8, citing People v. Bouzas* (1991) 53 Cal.3d 467, 480.)

“There is simply no valid legal authority for the contention that by enacting a rule, we have superseded one of our en banc decisions by operation of law.”

(*DiFusco, supra, at p. 13.*)

“[W]e emphasize that if changes are made to an existing rule, we must follow the procedures of the rule-making process.”

(*DiFusco, supra, at p. 13.*)

“[W]CJs and all parties before the Appeals Board must follow the plain language of the regulations as written, and, at the same time, abide by our en banc decisions. Unless otherwise stated, it is presumed that the Appeals Board is aware of the statutory and decisional law, including its own en bancs, when it enacts regulations, and the appropriate time to raise concerns about a particular rule and its impact, whether intended or unintended, is when the Appeals Board is engaged in rule making.”

(*DiFusco, supra, at p. 13, fn. 10.*)

“[A]n en banc opinion issued by the Appeals Board is binding legal precedent, unaffected by the regulatory process, and continues to be binding legal precedent unless the Appeals Board explicitly rescinds it en banc, it is overruled by a higher Court, or it is rendered no longer applicable by legislative changes.”

(*DiFusco, supra, at p. 8.*)

HOLDING No. 1 · DIFUSCO (2025) · EN BANC · BINDING · at p. 2

“All en banc decisions are binding on panels of the Appeals Board and WCJs, and the binding en banc decisions in *Coldiron I* and *Coldiron II* require disclosure of any entities liable for payment and any insurance policies that impact liability for payment.”

“The California Supreme Court explained in *People v. Bouzas* that in interpreting legislation, “repeal by implication is disfavored...””

(*DiFusco, supra, at p. 8, quoting People v. Bouzas (1991) 53 Cal.3d 467, 480.*)

Cross-references: § 1.1 (weight of en banc decisions); § 16.2 (the *Coldiron* disclosures); § 17.1 (discovery); § 22.1 (policy provisions affecting liability).

§ 1.3 The Appeals Board as Court; Rulemaking Authority and Its Limits

● settled · en banc · quotations verified 8/23/26 · cite: *Blackletter* § 1.3, p. 3 (2026)

“The Appeals Board is a constitutional court vested with judicial powers.”

(*DiFusco, supra, at p. 7, citing Lab. Code, §§ 111(a), 52, 5300, 5301, 5302; McHugh v. Santa Monica Rent Control Bd. (1989) 49 Cal.3d 348, 355–356; Bankers Indemnity Ins. Co. v. Industrial Acc. Com. (Merzoian) (1935) 4 Cal.2d 89, 97.*)

“For over 100 years, it has been repeatedly held that the Appeals Board (and its predecessor, the Industrial Accident Commission), exercises a portion of the judicial powers of the State of California and is, in legal effect, a court.”

(DiFusco, supra, at p. 7, citing Bankers Indemnity Ins. Co. v. Industrial Acc. Com. (Merzoian) (1935) 4 Cal.2d 89, 97; Western Metal Supply Co. v. Pillsbury (Mason) (1916) 172 Cal. 407, 411–412; Kaiser Co. v. Industrial Acc. Com. (Baskin) (1952) 109 Cal.App.2d 54, 58–59.)

“Thus, the Appeals Board must follow a statute in the Labor Code as written and enacted by the Legislature, unless or until the Legislature changes a statute or a higher court issues an opinion as to its application.”

(DiFusco, supra, at p. 11.)

“In comparison, regulations are enacted by state agencies under statutory authority granted by an enabling statute, to implement and enforce a statute, after public notice and an opportunity for public comment.”

(DiFusco, supra, at p. 11, citing Tidewater Marine Western, Inc. v. Bradshaw (1996) 14 Cal.4th 557, 568; Department of Corrections & Rehabilitation v. Workers’ Comp. Appeals Bd. (2008) 166 Cal.App.4th 911, 917.)

“Section 5708 authorizes the Appeals Board to promulgate regulations regarding the adjudicatory process, and section 5307 describes the mandatory procedures for adopting, amending or rescinding regulations, including the requirement for a public hearing.”

(DiFusco, supra, at p. 12, citing Lab. Code, §§ 5307, 5708.)

“The WCAB falls within a statutory exclusion because its adjudicative proceedings are expressly governed by the Labor Code and by its own rules of practice and procedures and because it is not bound by any other statutory rules of procedure.”

(DiFusco, supra, at p. 11, fn. 8, citing Lab. Code, §§ 5708, 5307.)

“While the WCAB is empowered to enact rules or procedures under the proper circumstances, it may not change legislation that is within the plenary power of the Legislature under article XIV, section 4 of the California Constitution.”

(Rea v. Workers’ Comp. Appeals Bd. (Milbauer) (2005) 127 Cal.App.4th 625, 644, as quoted in DiFusco, supra, at p. 11.)

“(a) The appeals board shall establish uniform district office procedures, uniform forms, and uniform time of court settings for all district offices of the appeals board. No district office of the appeals board or workers’ compensation administrative law judge shall require forms or procedures other than as established by the appeals board. A workers’ compensation administrative law judge who violates this section may be subject to disciplinary proceedings. (b) The appeals board shall establish uniform court procedures and uniform forms for all other proceedings of the appeals board.”

(Lab. Code, § 5500.3, as quoted in DiFusco, supra, at p. 11.)

“While a regulation enacted by the Appeals Board may become invalid when an appellate court determines that it contradicts a statute, if the Appeals Board determines that a regulation is no longer valid or is no longer applicable as written, the Appeals Board must follow the same procedures used to enact the regulation, including the public hearing requirement, prior to the amendment or repeal of the regulation.”

(DiFusco, supra, at p. 12, citing Lab. Code, § 5307; Milbauer, supra, 127 Cal.App.4th 625.)

HOLDING No. 2 · DIFUSCO (2025) · EN BANC · BINDING · at p. 2

“Only the Appeals Board is statutorily authorized to issue regulations for adjudication for workers’ compensation proceedings, and WCAB Rules 10390, 10400 and 10401 require that parties, their representatives, and their insurance companies be fully identified.”

“The Administrative Procedures Act (APA) applies to all state “agencies” (see Gov. Code, § 11500), except as otherwise expressly provided by statute.”

(DiFusco, supra, at p. 11, fn. 8, citing Gov. Code, §§ 11410.20(a), 11415.10(a).)

Cross-references: § 1.2 (en banc precedent); § 16.2 (identification requirements in practice).

CHAPTER 14 · PENALTIES, SANCTIONS & INCREASED COMPENSATION

§ 14.9 Defendant's Remedies for Frivolous or Bad-Faith Claims

● settled · en banc · verified 8/23/26 · cite: *Blackletter* § 14.9, p. 6 (2026)

“While that goal is noble, that is not within the province of adequacy review.”

(Gaines, supra, at p. 22 [protecting insured defendants from overpaying claims].)

“If a defendant believes that a claim is filed frivolously or in bad faith, they may file an appropriate petition and seek to recover the costs of litigation. (Cal. Code Regs, tit. 8, § 10421.) If a defendant believes in good faith that a claim may involve fraud, defendant may take appropriate measures to report suspected fraud. (Cal. Ins. Code, § 1877.3(b).)”

(Gaines, supra, at p. 22.)

Cross-references: § 19.4 (what adequacy review is for); § 24.6 (fraud reporting; criminal proceedings). Remainder of chapter: *reserved*.

CHAPTER 16 · COMMENCING & MANAGING THE CASE

§ 16.2 Identification of Parties and Liable Entities; the *Coldiron* Disclosures

● settled · en banc · quotations verified 8/23/26 · cite: *Blackletter* § 16.2, p. 7 (2026)

“Read together, WCAB Rules 10390, 10400 and 10401 ensure that all parties, representatives and liable entities are fully identified in each case.”

(*DiFusco, supra, at p. 12.*)

“Under WCAB Rule 10390, which renumbered and simplified former WCAB Rule 10550, all parties must fully disclose their own legal name, the name of their attorney or non-attorney representative, the name of the insurer and employer, and the third-party administrator, while clarifying that the third-party administrator is not a party.”

(*DiFusco, supra, at p. 12.*)

“WCAB Rule 10400, subdivision (b)(1) requires that all attorney representatives file a notice of representation or opening document that complies with WCAB Rule 10390 and includes “the name of the represented party.””

(*DiFusco, supra, at p. 12, citing Cal. Code Regs., tit. 8, § 10400(b)(1).*)

“As a matter of course, if an attorney represents multiple parties or entities, all names of each represented party or entity must be disclosed. WCAB Rule 10401 imposes similar requirements on non-attorney representatives.”

(*DiFusco, supra, at p. 12, citing Cal. Code Regs., tit. 8, § 10401.*)

“[W]here an employer’s liability for workers’ compensation benefits is adjusted by a third-party administrator, the administrator must disclose to the Workers’ Compensation Appeals Board, to the other parties in any proceeding in which it is a party, and to its own counsel the identity of its client, whether a self-insured employer or insurance carrier. If the client is an insurance carrier, the administrator must disclose whether the policy includes a “high self-insured retention,” a large deductible, or any other provision that affects the identity of the entity actually liable for the payment of compensation. Failure of the administrator to disclose the identity of its client may subject it to sanctions pursuant to Labor Code section 5813.”

(*Coldiron v. Compuware Corp. (2002) 67 Cal.Comp.Cases 289, 290–291 (Appeals Bd. en banc) [Coldiron I], as quoted in DiFusco, supra, at p. 8.*)

“Fundamental to the establishment of workers’ compensation liability and the prompt delivery of benefits awarded to eligible injured workers is the designation of the responsible and liable entity. The responsible entity must be divulged at the earliest opportunity, and certainly no later than the commencement of the litigation process and formal proceedings. . . . In this manner, no confusion can result as to the liable entity, against whom an award for benefits will be made. It avoids unnecessary delays in the prompt delivery of benefits awarded.”

(Coldiron I, supra, 67 Cal.Comp.Cases at p. 294, as quoted in DiFusco, supra, at p. 10.)

HOLDING No. 3 · DIFUSCO (2025) · EN BANC · BINDING · at p. 2

“WCAB Rule 10390 does not supersede the Coldiron decisions. Defendants must comply with WCAB Rule 10390 and the disclosure requirements in Coldiron I and II, regardless of whether there is a third-party administrator.”

“[T]here is no basis to limit the disclosure requirements to third-party administrators.”

(DiFusco, supra, at p. 10.)

“It bears repeating that the Appeals Board, in issuing Coldiron I en banc was concerned with disclosure of the entity responsible for payment in all cases, including any limits on liability for payment, and not just those with a third-party administrator.”

(DiFusco, supra, at p. 10.)

“The burden to ascertain the identity of the entity liable for payment cannot be placed on the injured worker; the information is more readily available to a defendant, and the disclosure responsibility must lie with defendant.”

(DiFusco, supra, at p. 10.)

“We observe that information as to the proper defendant is within a defendant’s control, and not an applicant’s, so that it is incumbent upon a defendant to comply with this responsibility.”

(DiFusco, supra, at p. 12.)

“As outlined in *Coldiron*, and as further required by these rules, full disclosure of the names of each party or entity means that all essential parties are included in all awards, and so that awards are enforceable, a defendant must necessarily provide accurate information.”

(*DiFusco, supra, at p. 12, citing Lab. Code, §§ 5806, 5807.*)

“Defendants are required by the Labor Code to pay all compensation that is due. If a dispute arises about who is responsible to pay compensation, an identified defendant may nevertheless be held liable, and sanctions may be imposed until such time as another responsible party is identified.”

(*DiFusco, supra, at p. 14.*)

“[t]hese holdings remain in full force and effect, and the third-party administrators (or their counsel and/or representative) who do not comply with these holdings may be subject to sanctions.”

(*Coldiron v. Compuware Corp. (2002) 67 Cal.Comp.Cases 1466, 1470 (Appeals Bd. en banc) [Coldiron II], as quoted in DiFusco, supra, at p. 9.*)

“The WCJ has a duty to inquire and ensure that the record reflects the correct identity of all parties, at first opportunity, including at the mandatory settlement conference and at trial.”

(*DiFusco, supra, at p. 14.*)

“[T]he WCJ must exercise oversight to ensure that at the time an award or decision is issued, if applicant has sought this information, that defendant has disclosed and properly identified all liable entities and the relevant insurance policy details, in compliance with *Coldiron I* and this decision.”

(*DiFusco, supra, at p. 14.*)

“WCJs are nevertheless responsible for ensuring that the legally correct names of parties and liable entities appear in case captions, rather than shortened or otherwise incorrect names found in EAMS.”

(*DiFusco, supra, at p. 14, fn. 11.*)

“[L]ien claimants and applicants are similarly entitled to this information, and similarly unable to access it without disclosure by the defendant.”

(*DiFusco, supra, at p. 11, fn. 7.*)

Cross-references: § 1.2 (why *Coldiron* still binds); § 17.1 (the discovery route to the same information); § 22.1 (policy provisions affecting liability); § 14.9 (sanctions generally).

§ 16.9 Walk-Through Settlements; Notices of Intention

• settled · en banc quoting regulation · verified 8/23/26 · cite: *Blackletter* § 16.9, p. 10 (2026)

“A workers’ compensation judge who is presented with a walk-through settlement document shall approve it, disapprove it, suspend action on it, or accept it for later review and action.”

(Cal. Code Regs., tit. 8, § 10789(e), as quoted in Gaines, supra, at p. 16.)

“[A]ll supporting medical reports and other supporting documents not previously filed, shall be filed directly with the workers’ compensation judge at the date and time of the walk-through.”

(Cal. Code Regs., tit. 8, § 10789(b)(1), as quoted in Gaines, supra, at p. 20.)

“[A]ny order for an applicant to attend an evaluation may only issue after providing notice to the parties. (Cal. Code Regs., tit. 8, § 10832.) No such order may issue within an OSA.”

(Gaines, supra, at p. 21.)

“[A]ny order for an applicant to attend an evaluation may only issue after providing notice to the parties.”

(Gaines, supra, at p. 21.)

Cross-references: §§ 19.2–19.3 (the OSA and the hearing); § 20.1 (record discipline at walk-throughs). Remainder of chapter: *reserved*.

“Further, if a medical evaluation is required to determine adequacy, such an evaluation may only be ordered after an evidentiary hearing has occurred, and the WCJ establishes a basis for such an order. Sections 4060 et seq. set forth the preferred framework for obtaining medical-legal reporting, and even though it is within the power of the WCJ to order applicant to be examined by a regular physician under section 5701, such procedures are generally used to resolve medical disputes after the parties have proceeded through the ordinary channels of discovery.”

(Gaines, supra, at p. 21, citing Lab. Code, §§ 4060 et seq., 5701 [seeds ch. 9].)

CHAPTER 17 · DISCOVERY & EVIDENCE

§ 17.1 Discovery: Liberal Policy; No Good-Cause Showing for Routine Requests

• settled · en banc · quotations verified 8/23/26 · cite: *Blackletter* § 17.1, p. 11 (2026)

“Our holding herein is consistent with the public policy favoring liberal pre-trial discovery that may reasonably lead to relevant and admissible evidence applicable in workers’ compensation cases.”

(*DiFusco, supra, at p. 15, citing Allison v. Workers’ Comp. Appeals Bd. (1999) 72 Cal.App.4th 654, 663.*)

“We emphasize that in workers’ compensation proceedings, the Labor Code makes explicit that the WCJ and the Appeals Board have greater discretion with respect to evidentiary matters than courts in civil proceedings, and not narrower discretion as defendant appears to believe.”

(*DiFusco, supra, at p. 15.*)

“Section 5708 mandates that we are not “bound by the common law or statutory rules of evidence and procedure, but may make inquiry in the manner, through oral testimony and records, which is best calculated to ascertain the substantial rights of the parties and carry out justly the spirit and provisions of this division.””

(*DiFusco, supra, at p. 15, quoting Lab. Code, § 5708.*)

“Section 5709 specifically allows informality in our proceedings and ensures that “admission into the record, and use as proof of any fact in dispute, of any evidence not admissible under the common law or statutory rules of evidence and procedure” will not invalidate an order, decision or award.”

(*DiFusco, supra, at p. 15, citing Lab. Code, § 5709.*)

“Unlike a discovery request where the right to privacy or another privilege is implicated, proof of good cause is not required for a routine discovery request such as the one here.”

(*DiFusco, supra, at p. 15.*)

“[A]pplicant has a right to the insurance coverage information and potentially liable parties purely by way of a discovery request for relevant information, even without the consideration of the specific disclosure requirements detailed herein.”

(*DiFusco, supra, at p. 15.*)

“Under the Civil Discovery Act, discovery is generally available “regarding any matter, not privileged, that is relevant to the subject matter involved in the pending action or to the determination of any motion made in that action. . . .”

(*DiFusco, supra*, at p. 15, fn. 13, quoting *Code Civ. Pro.*, § 2017.101 [*sic*; see *Code Civ. Proc.*, § 2017.010].)

“The underlying principle of liberal discovery supports our duty to ensure substantial justice and to further develop the record where there is insufficient evidence on an issue.”

(*DiFusco, supra*, at p. 15, fn. 12, citing *Kuykendall v. Workers’ Comp. Appeals Bd.* (2000) 79 Cal.App.4th 396, 403; *McClune v. Workers’ Comp. Appeals Bd.* (1998) 62 Cal.App.4th 1117, 1121–1122.)

“The Appeals Board may not leave matters undeveloped where it is clear that additional discovery is needed.”

(*DiFusco, supra*, at p. 15, fn. 12, citing *Kuykendall, supra*, at p. 404.)

Cross-references: § 16.2 (the *Coldiron* disclosures); § 22.1 (insurance policy information); § 20.1 (the admitted record).

CHAPTER OVERVIEW · SPECIMEN COMMENTARY — not citable until signed · citable as attributed commentary — cite: [Author], Overview, Blackletter ch. 19 (2026) · the quotations below remain the treatise text

Chapter 19 holds the law of settlement — and in 2026 it is a chapter in motion. The *Gaines* en banc decision reset the ground rules of settlement approval: no agreement binds anyone until a judge approves it (§ 19.1); a settlement is a contract and is tested as one (§ 19.2); a judge with adequacy concerns may suspend action and, where information does not come, may build a record by hearing rather than by ultimatum (§ 19.3); adequacy review protects the worker and the public — not the carrier (§ 19.4); the medicals must be filed and may never be withheld (§ 19.5); and a stipulation is not held to substantial-evidence proof (§ 19.6). Readers valuing a settlement should begin at § 19.4; readers responding to an order suspending action should begin at § 19.3.

— [Contributing Editor: this seat is reserved for a California workers' compensation attorney; specimen text by the compiler, to be replaced and signed by the chapter's contributing editor]

CHAPTER 19 · SETTLEMENT

§ 19.1 No Settlement Without Approval

• settled · statute; Supreme Court; en banc · verified 8/23/26 · cite: *Blackletter* § 19.1, p. 13 (2026)

“[N]o release of liability or compromise agreement is valid unless it is approved by the appeals board or referee.”

(*Lab. Code, § 5001, as quoted in Gaines, supra, at p. 17.*)

HOLDING No. 1 · GAINES (2026) · EN BANC · BINDING · at p. 2

“A workers' compensation settlement is only enforceable after approval by the Workers' Compensation Appeals Board. In approving a settlement, a WCJ must consider whether the agreement is valid and must determine whether the settlement is adequate in order to protect the injured worker and the public interest.”

“A tort release is effective upon execution, but a compromise and release of workmen’s compensation liability is invalid until approved... This inquiry by the referee should carry out the legislative objective of ‘protecting workmen who might agree to unfortunate compromises because of economic pressure or lack of competent advice.’ ... These safeguards against improvident releases place a workmen’s compensation release upon a higher plane than a private contractual release; it is a judgment, with ‘the same force and effect as an award made after a full hearing.’”

(Johnson v. Workmen’s Comp. Appeals Bd. (1970) 2 Cal.3d 964, 973, quoting Chavez v. Industrial Acc. Com. (1958) 49 Cal.2d 701, 702, and Raischell & Cottrell, Inc. v. Workmen’s Comp. App. Bd. (1967) 249 Cal.App.2d 991, 997; as quoted in Gaines, supra, at p. 17; accord Camacho v. Target (2018) 24 Cal.App.5th 291, 301–302 [as cited therein].)

§ 19.2 Validity: A Settlement Is a Contract

• settled · en banc; appellate as quoted · verified 8/23/26 · cite: *Blackletter* § 19.2, p. 14 (2026)

“[T]he legal principles governing compromise and release agreements are the same as those governing other contracts.” ... “For a compromise and release agreement to be effective, the necessary elements of a contract must exist, including an offer of settlement of a disputed claim by one of the parties, and an acceptance by the other.”

(Burbank Studios v. Workers’ Comp. Appeals Bd. (Yount) (1982) 134 Cal.App.3d 929, 935, as quoted in Gaines, supra, at p. 19; see Civ. Code, §§ 1550, 1565, 1580 [as cited therein].)

“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.”

(County of San Joaquin v. Workers’ Compensation Appeals Bd. (Sepulveda) (2004) 117 Cal.App.4th 1180, 1184, as quoted in Gaines, supra, at p. 19.)

“[T]he WCJ’s jurisdiction to approve a settlement is only as to those benefits provided by the Labor Code, and a settlement of any claims outside of the Labor Code is not enforceable.”

(Gaines, supra, at p. 22.)

“The WCAB’s jurisdiction is over claims for benefits provided in the Labor Code, and the WCAB has jurisdiction to approve settlement of claims for benefits that are provided by the Labor Code.”

(Gaines, supra, at p. 18 [seeds ch. 2].)

“A proposed contract to settle a claim is in lieu of an award of compensation and the WCAB must determine whether it is valid.”

(Gaines, supra, at p. 19, citing Lab. Code, §§ 5000–5003.)

“Section 5003 states that every C&R shall contain the following information: (a) The date of the accident. (b) The average weekly wages of the employee, determined according to Chapter 1 of Part 2 of this division. (c) The nature of the disability, whether total or partial, permanent or temporary. (d) The amount paid, or due and unpaid, to the employee up to the date of the release or agreement or death, and the amount of the payment or benefits then or thereafter to be made. (e) The length of time such payment or benefit is to continue. (f) In the event a claim of lien under subdivision (f) or (g) of Section 4903 has been filed, the number of days and the amount of temporary disability indemnity which should be allowed to the lien claimant.”

(Lab. Code, § 5003, as quoted in Gaines, supra, at p. 17.)

“The injured worker must have knowledge of each of the benefits that they may be entitled to, and they must intend to release those claims for benefits. Mere execution of the form is not sufficient.”

(Gaines, supra, at p. 18, citing Camacho v. Target Corp. (2018) 24 Cal.App.5th 291, 301.)

“The preprinted form does not release claims that are outside of workers’ compensation, and even if a separate document is executed by the parties, the WCAB cannot approve a settlement of claims that are outside of the Labor Code.”

(Gaines, supra, at p. 18.)

“Thus, where the terms of the agreement are unclear or contradictory, or include provisions that are outside the Labor Code, the issue is whether a true contract has been formed.”

(Gaines, supra, at p. 19.)

“Pursuant to section 5500.5, all employers in a single cumulative injury are to be joined in a single action. While applicant is free to settle against one employer and pursue their claim against the others (§ 5500.5(c)), the employers must be joined in a single case as they have the right to be notified of any election or settlements made.”

(Gaines, supra, at p. 10, fn. 6, citing Lab. Code, § 5500.5 [seeds chs. 5, 16].)

§ 19.3 The Order Suspending Action and the Adequacy Hearing

● settled · en banc · verified 8/23/26 · cite: *Blackletter* § 19.3, p. 16 (2026)

HOLDING No. 2 · GAINES (2026) · EN BANC · BINDING · at p. 2

“Where the terms of the settlement are inconsistent, do not comply with the Labor Code, and / or are inadequate, the WCJ may investigate by issuing an order suspending action, and if the parties do not provide sufficient information, the WCJ may hold a hearing to create an evidentiary record that establishes the adequacy of a settlement.”

“The parties to a controversy may stipulate the facts relative thereto in writing and file such stipulation with the appeals board. The appeals board may thereupon make its findings and award based upon such stipulation, or may set the matter down for hearing and take further testimony or make the further investigation necessary to enable it to determine the matter in controversy.”

(Lab. Code, § 5702, as quoted in Gaines, supra, at p. 15.)

“(b) The Workers’ Compensation Appeals Board shall inquire into the adequacy of all Compromise and Release agreements and Stipulations with Request for Award, and may set the matter for hearing to take evidence when necessary to determine whether the agreement should be approved or disapproved, or issue findings and awards.”

(Cal. Code Regs., tit. 8, § 10700(b), as quoted in Gaines, supra, at p. 18.)

“After reviewing a proposed settlement, the WCJ may issue an OSA.”

(Gaines, supra, at p. 16, citing Cal. Code Regs., tit. 8, §§ 10700(b), 10789(e).)

“An OSA more commonly issues where a minor error has occurred, which can be easily corrected without a formal hearing. In such a case, the OSA operates in a similar manner as a notice of intent.”

(Gaines, supra, at p. 16, citing Cal. Code Regs., tit. 8, § 10832.)

“This is generally an accepted practice, particularly since workers’ compensation proceedings have traditionally proceeded with a degree of informality.”

(Gaines, supra, at p. 16, citing Lab. Code, §§ 5708, 5709.)

“When a settlement is submitted for approval, it is submitted as a stipulation that is signed by all parties, with a joint request that the stipulation be approved. (§ 5702.) There is generally no issue of due process when a WCJ approves a joint request of the parties.”

(Gaines, supra, at p. 15.)

“[W]hen the WCJ intends to reject a settlement or requires additional information before approving a settlement, the WCJ must provide adequate due process, which includes notice and an opportunity to be heard.”

(Gaines, supra, at p. 15.)

“[A]n evidentiary hearing should be set where the terms of the agreement are unclear, contradictory, include provisions that are outside the Labor Code, the concern over adequacy is significant, and / or the parties fail to provide a sufficient response to the OSA.”

(Gaines, supra, at p. 16.)

“Where the record does not adequately explain the value of the settlement, the WCJ may properly request supporting materials, including relevant medical records, civil case information in limited circumstances, and documentation supporting a request for attorney’s fees, and may delay approval until sufficient information is provided. However, the WCJ may not use an order suspending action to compel medical evaluations, dismissal with prejudice, or a reduction of attorney’s fees without notice, due process, and an appropriate record. The governing inquiry is whether the settlement is adequately supported by the information submitted, and if it is not, the proper remedy is to develop the record through appropriate procedures, including a hearing to create an evidentiary record.”

(Gaines, supra, at p. 23.)

“We would also note that a dismissal with prejudice is generally reserved for cases that are being dismissed on the merits. Where a party seeks dismissal based on reasons other than the merits of litigation, e.g. lack of prosecution, the appropriate order is dismissal without prejudice.”

(Gaines, supra, at p. 22, fn. 10 [seeds ch. 16].)

“Pursuant to section 5702, the WCJ may seek further information or may set a hearing.”

(Gaines, supra, at p. 16, citing Lab. Code, § 5702.)

§ 19.4 What Adequacy Review Protects; What It Does Not

• settled · en banc; Supreme Court as quoted · verified 8/23/26 · cite: *Blackletter* § 19.4, p. 18 (2026)

“It has long been held that a C&R must provide fair compensation to the injured worker equivalent to what the injured worker would expect to receive from an award”

(*Gaines, supra, at p. 17.*)

“The purpose of an award is not to make the employee whole for the loss which he or she has suffered, but to prevent the employee and his or her dependents from becoming public charges during the period of disability.”

(*Department of Rehabilitation v. Workers’ Comp. Appeals Bd. (2003) 30 Cal.4th 1281, 1286, as quoted in Gaines, supra, at p. 18.*)

“Where benefits are due, they should be paid and the WCJ should ensure that payable benefits are not inappropriately shifted onto public systems, for example, Medicare, Medi-Cal, EDD, and Social Security. Adequacy review has the dual purpose of ensuring that an injured worker is appropriately paid benefits, which in turn benefits the public.”

(*Gaines, supra, at p. 18.*)

“If there is information in the record that indicates that an insurance company might be overvaluing a claim, that suggests that the settlement is adequate and that the WCJ should approve the settlement.”

(*Gaines, supra, at p. 22.*)

“To determine whether benefits are adequately paid, a WCJ requires information. The WCJ may not simply approve any settlement filed. The WCJ must independently review the settlement and determine that the settlement is adequate.”

(*Gaines, supra, at p. 19.*)

“(c) Agreements that provide for the payment of less than the full amount of compensation due or to become due and undertake to release the employer from all future liability will be approved only where it appears that a reasonable doubt exists as to the rights of the parties or that approval is in the best interest of the parties.”

(*Cal. Code Regs., tit. 8, § 10700(c), as quoted in Gaines, supra, at p. 18.*)

“Workers’ compensation was created, in part, to prevent an injured worker from becoming a public ward.”

(*Gaines, supra, at p. 18.*)

Cross-references: § 14.9 (what adequacy review is *not* for: protecting carriers from overpaying); § 19.5 (information bearing on adequacy).

§ 19.5 Information Bearing on Adequacy: Medicals, Civil Actions, Scope

• settled · en banc; regulation as quoted · verified 8/23/26 · cite: *Blackletter* § 19.5, p. 19 (2026)

“When filing a Compromise and Release or a Stipulations with Request for Award, the filing party shall file all agreed medical evaluator reports, qualified medical evaluator reports, treating physician reports, and any other [medical records] that are relevant to a determination of the adequacy... that have not been filed previously.”

(*Cal. Code Regs., tit. 8, § 10700(a), as quoted in Gaines, supra, at p. 20.*)

“Parties may not withhold relevant medical records and / or either intentionally or negligently misrepresent that no such medical records exist.”

(*Gaines, supra, at p. 20.*)

“[The civil-case inquiry] could be appropriate in circumstances where the civil case overlaps with the workers’ compensation case, giving rise to a possible third-party credit... However, the WCJ’s inquiry should be limited in scope to address the issue of adequacy and whether any third-party credit exists or may exist, and it should take place on the record.”

(*Gaines, supra, at p. 22, citing Lab. Code, §§ 3850 et seq. [seeds Ch. 23].*)

“We emphasize that how much information is required to support adequacy will depend on the facts of each individual case.”

(*Gaines, supra, at p. 19.*)

“The WCJ reviewing adequacy is considering a multitude of issues, including valuation of future medical treatment, temporary disability, permanent disability, a supplemental job displacement voucher, and death benefits. The WCJ may also consider threshold issues as to whether compensation is due, such as employment, the statute of limitations, and affirmative defenses.”

(*Gaines, supra, at p. 19.*)

“Parties should file supporting, relevant medicals at the time they file a settlement.”

(*Gaines, supra, at p. 20.*)

“[T]he parties may wish to provide a statement from applicant, witness statements, depositions, recorded video of an injury, claim benefit letters including any denial letter, or any other information that will assist the WCJ in determining adequacy.”

(*Gaines, supra, at p. 20.*)

“The fact that an injured worker may wish to forego litigation and settle their claim provides no information to the WCJ as to how the claim should be valued. If the parties fail to provide enough information, they should expect approval of their settlement to be delayed so that the WCJ may obtain the necessary information either through issuance of an OSA, or through a formal hearing.”

(*Gaines, supra, at p. 20.*)

§ 19.6 Stipulations Are Not Held to Substantial-Evidence Proof

• settled · en banc; appellate as quoted · verified 8/23/26 · cite: *Blackletter* § 19.6, p. 20 (2026)

“One issue raised by the WCJ in these cases is the misconception that substantial medical evidence is required to determine adequacy of a stipulation. That is not true. Stipulations exist, in part, to obviate the need for evidence.”

(*Gaines, supra, at p. 21, citing County of Sacramento v. Workers’ Comp. Appeals Bd. (Weatherall) (2000) 77 Cal.App.4th 1114, 1121.*)

“There is no requirement that substantial medical evidence support a stipulation. The only requirement for adequacy review is that sufficient information exists in the formal record to support a WCJ’s decision on adequacy.”

(*Gaines, supra, at p. 21.*)

“A stipulation is ‘An agreement between opposing counsel . . . ordinarily entered into for the purpose of avoiding delay, trouble, or expense in the conduct of the action,’ (Ballentine, Law Dict. (1930) p. 1235, col. 2) and serves ‘to obviate need for proof or to narrow range of litigable issues’ (Black’s Law Dict. (6th ed. 1990) p. 1415, col. 1) in a legal proceeding.”

(*Weatherall, supra, 77 Cal.App.4th at p. 1119, as quoted in Gaines, supra, at p. 21.*)

“The parties need only provide relevant information to permit the WCJ to determine adequacy.”

(Gaines, supra, at p. 21.)

“There is no requirement that substantial medical evidence support a stipulation.”

(Gaines, supra, at p. 21.)

CHAPTER 20 • TRIAL & THE RECORD

§ 20.1 Decisions Rest on the Admitted Record

● settled · en banc; statute; appellate as quoted · verified 8/23/26 · cite: *Blackletter* § 20.1, p. 22 (2026)

“Decisions of the Appeals Board ‘must be based on admitted evidence in the record.’”

(Hamilton v. Lockheed Corporation (2001) 66 Cal.Comp.Cases 473, 476 (Appeals Board en banc), as quoted in Gaines, supra, at p. 15.)

“[D]ecisions of the Appeals Board must be supported by substantial evidence.”

(Gaines, supra, at p. 15, citing Lab. Code, §§ 5903, 5952(d); Lamb v. Workmen’s Comp. Appeals Bd. (1974) 11 Cal.3d 274; Garza v. Workmen’s Comp. Appeals Bd. (1970) 3 Cal.3d 312; LeVesque v. Workmen’s Comp. Appeals Bd. (1970) 1 Cal.3d 627.)

“An adequate and complete record is necessary to understand the basis for the WCJ’s decision.”

(Gaines, supra, at p. 15, citing Lab. Code, § 5313; Cal. Code Regs., tit. 8, § 10787.)

“[O]ther than medical reporting which automatically becomes part of the record of proceedings under WCAB Rule 10803... any other information provided to the WCJ is not part of the record of proceedings and is not admitted as evidence. In particular, WCJs should be mindful that oral statements presented at a walk-through are not part of the court’s record.”

(Gaines, supra, at p. 20.)

“Workers’ compensation does not permit judgment on the pleadings.”

(Gaines, supra, at p. 16, citing Cal. Code Regs., tit. 8, § 10515.)

“A WCJ cannot look beyond the settlement itself or the record of proceedings in determining adequacy.”

(Gaines, supra, at p. 16, citing Cal. Code Regs., tit. 8, § 10803.)

“The Appeals Board cannot review the adequacy of a settlement without a formal record.”

(Gaines, supra, at p. 16, citing Hamilton, supra.)

“This creates significant problems, particularly in cases where a party seeks to set aside the settlement, because there is no record to review. Thus, it may be more appropriate to set a hearing and admit such evidence so that the basis for a determination that the settlement is adequate is clear.”

(*Gaines, supra, at p. 20 [seeds ch. 25].*)

“[O]ther than medical reporting which automatically becomes part of the record of proceedings under WCAB Rule 10803 (Cal. Code Regs., tit. 8, § 10803), any other information provided to the WCJ is not part of the record of proceedings and is not admitted as evidence.”

(*Gaines, supra, at p. 20.*)

§ 20.2 Due Process Before the Board

• settled · en banc; appellate as quoted · verified 8/23/26 · cite: *Blackletter* § 20.2, p. 23 (2026)

“All parties to a workers’ compensation proceeding retain the fundamental right to due process and a fair hearing under both the California and United States Constitutions.”

(*Rucker v. Workers’ Comp. Appeals Bd. (2000) 82 Cal.App.4th 151, 157–158, as quoted in Gaines, supra, at p. 15.*)

“Due process requires notice and a meaningful opportunity to present evidence in regards to the issues.”

(*Rea v. Workers’ Comp. Appeals Bd. (2005) 127 Cal.App.4th 625, 635, fn. 22, as quoted in Gaines, supra, at p. 15; see Fortich v. Workers’ Comp. Appeals Bd. (1991) 233 Cal.App.3d 1449, 1452–1454 [as cited therein].*)

CHAPTER 21 · RECONSIDERATION, REMOVAL & JUDICIAL REVIEW

§ 21.8 Removal

● settled · en banc · verified 8/23/26 · cite: *Blackletter* § 21.8, p. 24 (2026)

“The appeals board may appoint one or more workers’ compensation administrative law judges in any proceeding, as it may deem necessary or advisable, and may refer, remove to itself, or transfer to a workers’ compensation administrative law judge the proceedings on any claim.”

(Lab. Code, § 5310, as quoted in Gaines, supra, at p. 14.)

“Removal is an extraordinary remedy rarely exercised by the Appeals Board.”

(Gaines, supra, at p. 14, citing Cortez v. Workers’ Comp. Appeals Bd. (2006) 136 Cal.App.4th 596, 599, fn. 5; Kleemann v. Workers’ Comp. Appeals Bd. (2005) 127 Cal.App.4th 274, 280, fn. 2.)

“This violates the parties’ due process rights, which constitutes irreparable harm and thus, removal is warranted.”

(Gaines, supra, at p. 16 [re an OSA compelling medical evaluations without hearing].)

§ 21.9 Consolidation; Vacating an OSA

● settled · en banc; regulation as quoted · verified 8/23/26 · cite: *Blackletter* § 21.9, p. 24 (2026)

“Consolidation may be ordered by the Workers’ Compensation Appeals Board (‘WCAB’) on its own motion[.]”

(Cal. Code Regs., tit. 8, § 10396(b), as quoted in Gaines, supra, at p. 15; see § 10396(a) [common issues of fact and law; avoiding inconsistent orders].)

“[W]here no formal record exists, upon receipt of a petition for removal or reconsideration of an OSA, and consistent with WCAB Rules 10955 and 10961, the WCJ may vacate the OSA and set the matter for an evidentiary hearing.”

(Gaines, supra, at p. 16, citing Cal. Code Regs., tit. 8, §§ 10955(d), 10961.)

§ 21.10 Disqualification of the WCJ

• settled · en banc; statute as quoted · verified 8/23/26 · cite: *Blackletter* § 21.10, p. 25 (2026)

“Section 5311 provides that a WCJ may be disqualified upon any one or more of the grounds specified in Code of Civil Procedure section 641.”

(Gaines, supra, at p. 24; Lab. Code, § 5311.)

“Among the grounds for disqualification under section 641 are that the WCJ has ‘formed or expressed an unqualified opinion or belief as to the merits of the action’ (Code Civ. Proc., § 641(f)) or that the WCJ has demonstrated ‘[t]he existence of a state of mind ... evincing enmity against or bias toward either party.’ (Code Civ. Proc., § 641(g).)”

(Gaines, supra, at p. 24 [disqualification ordered on both grounds].)

“Every workers’ compensation administrative law judge shall abide by the Code of Judicial Ethics.”

(Cal. Code Regs., tit. 8, § 9721.1, as quoted in Gaines, supra, at p. 25; see Cal. Code Jud. Ethics, canons 1–3 [seeds ch. 24].)

“A judge shall uphold the integrity and independence of the judiciary.”

“A judge shall avoid impropriety and the appearance of impropriety in all of the judge’s activities.”

“A judge shall perform the duties of judicial office impartially, competently, and diligently.”

(Cal. Code Jud. Ethics, canons 1–3, as quoted in Gaines, supra, at p. 25 [seeds ch. 24].)

CHAPTER 22 · INSURANCE & COVERAGE

§ 22.1 Disclosure of Insurance Policies and Provisions Affecting Liability

• settled · en banc · quotations verified 8/23/26 · cite: *Blackletter* § 22.1, p. 26 (2026)

“When an applicant seeks information about the liable entity or the insurance policy provisions, the information should be readily provided.”

(*DiFusco, supra, at p. 14.*)

“Discovery must be provided regarding “the existence and contents of any agreement under which any insurance carrier may be liable,” including “the identity of the carrier and the nature and limits of the coverage.””

(*DiFusco, supra, at p. 15, fn. 13, quoting Code Civ. Proc., § 2017.210.*)

“[I]n a workers’ compensation matter, liability for payment of compensation to an applicant is an ongoing duty, that often stretches for many years after an underlying award is issued. This means that the ability to identify any parties that may potentially be liable to pay compensation in the future, and the parameters of that liability, is significantly more important in workers’ compensation proceedings.”

(*DiFusco, supra, at p. 15, fn. 13.*)

“[F]inal decisions of the WCAB may be converted to civil judgments, and without proper identification of the liable party or parties, an award may be rendered unenforceable.”

(*DiFusco, supra, at p. 16, fn. 14, citing Lab. Code, §§ 5806, 5807.*)

Cross-references: § 16.2 (identification duties); § 17.1 (the discovery route); ch. 25 (enforcement of awards: *reserved*).

CHAPTER 24 · FRAUD, ETHICS & PROFESSIONAL CONDUCT

§ 24.6 Fraud Reporting; Criminal Proceedings Distinct

● settled · en banc; statute · verified 8/23/26 · cite: *Blackletter* § 24.6, p. 27 (2026)

“If a defendant believes in good faith that a claim may involve fraud, defendant may take appropriate measures to report suspected fraud. (Cal. Ins. Code, § 1877.3(b).)”

(*Gaines, supra, at p. 22.*)

“Proceedings before the Appeals Board have no bearing upon subsequent criminal proceedings.”

(*Gaines, supra, at p. 22, fn. 11, citing Lab. Code, § 5006.*)

Cross-references: § 14.9 (the same fraud-reporting duty in the sanctions context; Ins. Code § 1877.3(b) also printed there).

CHAPTER 26 · ATTORNEY'S FEES

§ 26.1 The Reasonable Fee; the Board as Final Arbiter

● settled · en banc; statute · verified 8/23/26 · cite: *Blackletter* § 26.1, p. 28 (2026)

“[N]o ‘charge, claim, or agreement for legal services . . . is enforceable, valid, or binding in excess of a reasonable amount. The appeals board may determine what constitutes a reasonable amount.’”

(*Lab. Code, § 4906(a), as quoted in Gaines, supra, at p. 22.*)

“Attorneys are prohibited from demanding or accepting a fee until the amount is approved by the Appeals Board.”

(*Gaines, supra, at p. 22, citing Vierra v. Workers’ Comp. Appeals Bd. (2007) 154 Cal.App.4th 1128, 1131.*)

“The Legislature has thus spoken clearly and decisively that attorney fees in workers’ compensation cases cannot exceed an amount that is ‘reasonable’ and that the WCAB shall be the final arbiter of reasonableness in all cases.”

(*Vierra, supra, 154 Cal.App.4th at p. 1131, as quoted in Gaines, supra, at p. 23.*)

“In establishing a reasonable attorney’s fee, the workers’ compensation judge or arbitrator shall consider the: (a) Responsibility assumed by the attorney; (b) Care exercised in representing the applicant; (c) Time involved; and (d) Results obtained.”

(*Cal. Code Regs., tit. 8, § 10844, as quoted in Gaines, supra, at p. 23; see Lab. Code, § 4906(d).*)

§ 26.6 Disputed Fees at Settlement Approval

● settled · en banc · verified 8/23/26 · cite: *Blackletter* § 26.6, p. 28 (2026)

“When an issue as to the amount of the attorney’s fee arises, the attorney is still entitled to due process to establish the reasonableness of a fee, and any order regarding a disputed fee must be supported by a record. If the C&R is found adequate, but the adequacy of the attorney’s fee remains in question, the WCJ may approve the C&R with the requested attorney’s fee held in trust pending a hearing on the issue.”

(*Gaines, supra, at p. 23.*)

“If the documents presented are sufficient to establish that the requested attorney’s fee is reasonable, the WCJ may award it.”

(Gaines, supra, at p. 23.)

“Thus, if the WCJ does not intend to award the requested fee, the appropriate procedure is to set the matter for a hearing.”

(Gaines, supra, at p. 23.)

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Colophon

Corpus of this printing: two decisions. Sections populated: twenty-two. Holdings of first impression: five, all en banc, all binding. Quotations: one hundred thirty-six, and five boxed holdings, each machine-verified against its slip opinion, 2026-08-23. Finding aids: a table of thirty-five cases, a table of fifty-three statutes and regulations, and an index — all generated from the corpus. Words of the compiler in the body of this work: none, outside the labeled and signed commentary apparatus.

Every page of this edition was assembled from *Gaines v. ABM Aviation, Inc.* and *DiFusco v. Hands On Spa* alone, under the census rule: if it is not in the corpus, it is not in the book. The reserved chapters are not unfinished — they are honest. They will fill, decision by decision, in the courts' own words, at the speed the corpus grows. This is what a law book looks like when the law is allowed to write it.

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