

INTER-OFFICE MEMORANDUM

TO: ALL ATTORNEYS/ALL OFFICES/CLIENTS

FROM: JOE TRUCE

DATE: March 18, 2003

RE: DEFENSE AGAINST LABOR CODE §5814 PENALTY FOR
TERMINATING TEMPORARY DISABILITY

In the case of Southern California Edison v. Workers' Compensation Appeals Board (Harold Woods) 5 WCAB Reporter 10,038 (enclosed) the Appeals Board held that it was **not unreasonable** for a defendant to rely on information orally transmitted by a member of the staff of the treating physician that the applicant's condition was permanent and stationary and to therefore terminate temporary disability benefits.

In many of our cases the permanent and stationary report of the primary treating physician does not issue for weeks (sometimes months) after the applicant is declared to be permanent and stationary by the treating physician and in this case, the Board held that it was reasonable for the claims adjuster to rely on a telephone conversation with the staff of the primary treating physician advising that the applicant has been declared to be permanent and stationary.

WJT:dab
Enclosure - SCE (Woods) case