BOARD OF LEGISLATORS COUNTY OF WESTCHESTER

Your Committee is in receipt of a proposed Act which, if enacted by your Board, would authorize the County of Westchester (the "County") to compromise its claim to be reimbursed for healthcare and wage benefits paid to or on behalf of a County employee, identified as "J.N." Consistent with prior practice in similar cases, the County Attorney has deleted the name of the employee to protect the individual's privacy. The name, of course, will be disclosed to the Board of Legislators if that is desired.

On October 3, 2019, J.N.—then a part time Emergency Services Training Instructor working in the Westchester County Department of Emergency Services—was performing a drill inside a County-owned fire-training simulator (the "Trainer"). After J.N. descended the interior stairs wearing full personal protective equipment, a gas-fired training prop on the opposite side of the Trainer exploded. The explosion damaged J.N.'s eardrums and threw him backward onto the stairs. The next day, Plaintiff filed a workers' compensation claim, which was promptly granted.

In March 2021, J.N. commenced a personal injury action (the "Action") against the Trainer's manufacturer, Fireblast Global, Inc. ("Fireblast"). J.N.'s counsel in that action is SHEPS LAW GROUP P.C., 25 High Street, Huntington, NY 11743. Fireblast's counsel is KIERNAN TREBACH LLP, 40 Exchange Place, Suite 1600, New York, NY 10005.

On December 17, 2021, Fireblast impleaded into the Action under a theory of contractual liability both the original owner of the Trainer, the City of Yonkers ("Yonkers") and the County. Yonkers was represented by BLANCHARD & WILSON, LLP, 235 Main Street, Suite 330, White Plains, NY 10601, and SAVAD CHURGIN, 55 Old Turnpike Road, Suite 209, Nanuet, NY 10954. The County was represented by the County Attorney's Office.

On or about April 6, 2023, J.N. agreed in principle to settle the Action for a global settlement of three hundred fifty-five thousand and 00/100 dollars (\$ 355,000.00), pending the County's consent to settle its workers' compensation claim. In connection with the proposed settlement, J.N.'s counsel notified this Office that his fee in the Action is one hundred eighteen thousand three hundred twenty-one and 50/100 dollars (\$118,321.50). He also notified this Office that his costs and disbursements in the Action total six thousand eight hundred seventy-six and 91/100 dollars (\$6,876.91).

Between the date of the accident and the date of the proposed settlement, the County expended medical benefits pursuant to the NYS Workers' Compensation Law ("WCL") to or on J.N.'s behalf in the amount of seven thousand one hundred sixty and 41/100 dollars (\$7,160.41). No indemnity (lost wages) payments were made.

Based upon a review of the facts and circumstances of this matter, this Office seeks the authority to compromise the County's claim for reimbursement by reducing its lien by 35.27%, equaling a dollar reduction of two thousand five hundred twenty-five and 48/100 dollars (\$2,525.48). The County shall thereafter accept in satisfaction of its present lien a total of four thousand six hundred thirty-four and 93/100 dollars (\$4,634.93). After the County is reimbursed and counsel fees are paid, J.N. would receive two hundred twenty-five thousand one hundred sixty-six and 66/100 dollars (\$225,166.66).

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Your Committee has carefully considered the matter and recommends authorizing the County Attorney, pursuant to Section 158.11 of the Westchester County Charter, to compromise the County's right to be reimbursed for health care benefits paid to or on behalf of J.N. from the settlement of his personal-injury action. An affirmative vote of a majority of the Board is required to pass this legislation.

Dated: White Plains, New York June <u>5</u>th, 2023

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Budget & Appropriations

Law & Major Contracts

Dated: June 5, 2023 White Plains, New York

The following members attended the meeting remotely and approved this item out of Committee with an affirmative vote. Their electronic signature was authorized and is below.

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COMMITTEES ON

FISCAL IMPACT STATEMENT

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SUBJECT: Settlement of Workers Comp lien (J.N.)
OPERATING BUDGET IMPACT (To be completed by operating department and reviewed by Budget Department)
A) 🛛 GENERAL FUND 🗌 AIRPORT 🗌 SPECIAL REVENUE FUND (Districts)
B) EXPENSES AND REVENUES
Total Current Year Cost \$ 0
Total Current Year Revenue \$ 4,634.93 Source of Funds (check one): Current Appropriations
Transfer of Existing Appropriations Additional Appropriations Other (explain)
Identify Accounts: 613-57-0019-4280
Potential Related Operating Budget Expenses: Annual Amount \$
Describe:
Potential Related Revenues: Annual Amount \$
Describe:
Anticipated Savings to County and/or Impact on Department Operations:
Current Year:
Next Four years:
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Prepared by: Sean T. Carey
Title: Sr. Assistant County Attorney Budget Department
Department: Law
If you need more space, please attach additional sheets.

ACT NO. 2023

1.1

AN ACT authorizing the County of Westchester to compromise its right to be reimbursed for health care benefits paid to or on behalf of a County employee from a settlement of his personal-injury action.

BE IT ENACTED by the Board of Legislators of the County of Westchester as follows:

1. The County of Westchester is hereby authorized to compromise its right to be reimbursed for health care benefits paid or owing to or on behalf of a County employee, identified as "J.N.", from a settlement of his personal-injury action. The County's reimbursement is \$4,634.93, representing a 35.27% reduction of its lien, with full reservation of the County's right to set off J.N.'s net recovery against any future compensation in accordance with the provisions of New York State Workers' Compensation Law.

2. The County Attorney or his designee is hereby authorized to execute and deliver all documents and take such actions as the County Attorney deems necessary or desirable to accomplish the purpose hereof.

3. This Act shall take effect immediately.