

## Lump Sum Advancements for Attorney Fees

**R07-1-02**

### **Guidelines for Lump Sum Advancements for Attorney Fees and Reimbursement of Expenses**

**May 2, 2007**

WHEREAS, Section 4123.64 of the Ohio Revised Code provides authority to commute payments of compensation or medical benefits to one or more lump sum payments; and

WHEREAS, Section 4123.06 of the Ohio Revised Code provides that the Commission approve, disapprove, or modify applications for lump sum payments for attorney's fees and allow payment of a reasonable fee after review of the application; and

WHEREAS, Rule 4121-3-10(B) O.A.C. provides that lump sum payment for attorney's fees shall be limited to an amount determined periodically by the Commission; and

WHEREAS, the Commission adopted Resolution No. R95-1-13 dated September 27, 1995, that provides that no application for lump sum advancement of attorney's fees shall be granted if either the amount of the advancement is in excess of eight thousand dollars (\$8,000.00) or where such advancement would cause a reduction in the claimant's existing weekly compensation rate of more than twenty percent (20%); and

WHEREAS, the Commission adopted Resolution No. R90-1-10 on September 5, 1990, that permitted approval of applications for lump sum payment of attorney's fees including the reimbursement of expenses for obtaining a medical report or vocational report to support an application for permanent partial disability, permanent total disability or death benefits when such expenses are the obligation of the claimant in the fee agreement that is entered into between the claimant and the attorney and that requests for lump sum payment to reimburse such expenses are to be based on the actual expenses incurred but in no event shall lump sum payment to reimburse such expenses exceed five hundred dollars (\$500.00); and

WHEREAS, the Commission now finds it necessary and proper to revise the guidelines adopted by the Commission in the adjudication of applications for lump sum advancements of attorney's fees.

THEREFORE BE IT RESOLVED that the Commission establishes the following guidelines in the adjudication of applications for lump sum advancement of attorney's fees:

1. No application for lump sum payment for attorney's fees for services rendered in securing an award of compensation for permanent total disability or an award of death benefits shall be approved if either the amount of the advancement for attorney's fees is in excess of ten thousand dollars (\$10,000.00) or where the advancement of attorney's fees would cause a reduction in the claimant's existing weekly compensation rate of more than twenty percent (20%).
2. No application for lump sum payment for attorney's fees for services rendered in securing a scheduled loss award, or compensation for percentage of permanent partial disability shall be approved if the amount of the advancement for attorney's fees is in excess of ten thousand dollars (\$10,000.00) or where the advancement of attorney's fees would cause a reduction in the claimant's existing weekly compensation rate of more than thirty-three and one-third percent (33-1/3%).
3. In addition to the amount described in the preceding paragraphs the Commission shall permit approval of applications for lump sum payment of attorney's fees, that include requests for reimbursement of expenses for obtaining a medical report or vocational report to support an application for a scheduled loss award, percentage of permanent partial disability, permanent total disability, or death benefits when such expenses are the obligation of the claimant in the fee agreement that is entered into between the claimant and the attorney. Applications for lump sum payment for attorney's fees that include requests for reimbursement of such expenses are to be based on the actual expenses incurred, but in no event shall the lump sum payment to reimburse such expenses exceed one thousand dollars (\$1,000.00).

BE IT FURTHER RESOLVED, that the foregoing guidelines shall be effective for all applications for lump sum advancements for attorney's fees filed on or after May 2, 2007.

***Other Attorney Fees Guidelines Resolutions***

R87-1-176  
Authorization to Receive Checks for Wage Loss Compensation  
August 25, 1987

R99-1-01  
Attorney Fees/Lump Sum Advancements  
June 30, 1999

R03-1-03  
Guidelines for Authorization to Receive Checks and Attorney Fee Guidelines for Authorization filed  
prior to April 15, 2007  
April 3, 2003

R07-1-01  
Guidelines for Authorization to Receive Checks and Attorney Fee Guidelines for Authorization  
filed after April 15, 2007  
March 28, 2007

R95-1-13  
Maximum Reduction of Compensation Rate  
September 27, 1995

R90-1-10  
Limitation on Amount  
September 5, 1990