

Standardized Workers' Compensation Release Agreement Did Not Extend to ERISA Claims

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An employee had been receiving long-term disability (LTD) income replacement benefits under her employer's ERISA-governed LTD plan for nearly five years. The employee then settled a workers' compensation claim against the employer and executed a standardized form compromise and release agreement (the "Release"), which only covered claims under California's workers' compensation laws, and an "Informed Consent to Compromise and Release" (the "Consent"). The employer subsequently terminated the employee's disability benefits, arguing she waived her right to those benefits when she executed the Release and the Consent. The trial court, however, disagreed, reasoning that because neither the Release nor the Consent mentioned ERISA or ERISA claims, or the LTD plan by name, neither document could release the employer from its obligations under the plan. This case is a reminder to employers to include explicit language in a settlement agreement that clearly references any ERISA claims to ensure that such claims are covered by the agreement. *Duncan v. The Hartford Life & Accident Insurance Co.*, No. 2:11-cv-01536-GEB-CKD (E.D. Cal. Feb. 8, 2013).