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OFFICE OF GEORGE A. HELM, III
WORKERS' COMPENSATION COUNSEL
MEMORANDUM

TO: Honorable Mayor and City Commissioners

FROM: Courtney C. Bahe, Esquire, Workers' Compensation Counsel

DATE: January 30, 2026

RE: **Settlement of workers' compensation claims involving Kathyann Wanciak**

INTRODUCTION:

This is a request for City Commission approval of a settlement proposal in the total amount of $490,000.00, including costs and attorneys' fees to resolve the workers' compensation cases of Kathyann Wanciak.

BACKGROUND:

The claimant, Kathyann Wanciak, is a 66-year-old City of Key West Law Enforcement Officer who was initially hired by the City on February 27, 2006. She was a law enforcement officer involved in two dates of accident with the City.

On August 21, 2015 she was involved in accident when she was trying to escort an intoxicated individual that resulted in injuries including the right knee.

The claimant has treated with Dr. Fernandez, orthopedic surgeon. She was placed at MMI by Dr. Fernandez. She was assigned permanent work restrictions and currently receives in the line of duty disability pension.

The claimant was also involved in the date of accident of June 16, 2018 involving the left knee when she was bumped into while working at the city splash pad. The claimant has treated with Dr. Fernandez, orthopedic surgeon. She was placed at MMI and assigned permanent work

restrictions. She also currently receives permanent total disability benefits from workers' compensation.

The claimant was separated from her employment with the City on October 22, 2018.

We estimate total future indemnity exposure, assuming no major changes in the claimant's condition, at approximately $134,617.50 for both claims. A Medicare Set Aside allocation was obtained because the claimant is a Medicare beneficiary. The Centers for Medicare Services has approved a future medical allocation of $86,587.00. It is important to note, however, that the future in this case is unpredictable. We are responsible for lifetime medical treatment, and the claimant has a normal life expectancy of approximately 14 years. The future exposure to permanent total disability benefits is $416,132.20.

On January 28, 2026, the parties attended a private mediation. The claimant expressed an interest in settlement for the first time and submitted a demand of $500,000. By way of history the parties previously mediated the claim in December 2024 but needed to secure approval of future medical costs with Centers for Medicare Services. After negotiations, we were able to secure a bottom-line demand of $490,000.00 to resolve both claims.

BUDGET IMPACT:

Approximately $490,000.00 would need to be paid within the next 30 days. Once the settlement is approved by the Commission, we will have the checks issued. However, the City will be reimbursed 100% of the settlement by the Excess Workers' Compensation carrier.

RECOMMENDATIONS:

It is recommended that the City Commission approve the attached resolution approving the settlement of these workers' compensation claims, which includes a General Release and Separation Agreement, for the total sum of $490,000.00.

Sincerely,

/s/ Courtney C. Bahe

Courtney C. Bahe, Esquire

CCB