

44-531. Redemption of liability; lump-sum payment of award; exception. (a) Where all parties agree to the payment of all or any part of compensation due under the workers compensation act or under any award or judgment, and where it has been determined at a hearing before the administrative law judge that it is for the best interest of the injured employee or the dependents of a deceased employee, or that it will avoid undue expense, litigation or hardship to any party or parties, the administrative law judge may permit the employer to redeem all or any part of the employer's liability under the workers compensation act by the payment of compensation in a lump-sum. The employer shall be entitled to an 8% discount except as provided in subsection (a) of K.S.A. 44-510b, and amendments thereto, on the amount of any such lump-sum payment that is not yet due at the time of the award. Upon paying such lump-sum the employer shall be released and discharged of and from all liability under the workers compensation act for that portion of the employer's liability redeemed under this section.

(b) No lump-sum awards, unless agreed to by the parties, shall be rendered under the workers compensation act except: (1) As provided in subsection (a) of this section, (2) as provided in subsection (a) [of] K.S.A. 44-510b, and amendments thereto, (3) in cases involving compensation due the employee at the time the award is rendered as provided in K.S.A. 44-525, and amendments thereto, and in cases of past due compensation as provided in K.S.A. 44-529, and amendments thereto.

(c) The parties, by agreement and with approval of an administrative law judge, may enter into a compromise lump-sum settlement in either permanent total or permanent partial disability cases which prorates the lump-sum settlement over the life expectancy of the injured worker. When such an agreement has been approved, neither the weekly compensation rate paid throughout the case nor the maximum statutory weekly rate applicable to the injury shall apply. No compensation rate shall exceed the maximum statutory weekly rate as of the date of the injury. Instead, the prorated rate set forth in the approved settlement documents shall control and become the rate for that case. This section shall be retroactive in effect.

History: L. 1927, ch. 232, § 31; L. 1955, ch. 250, § 8; L. 1974, ch. 203, § 30; L. 1993, ch. 286, § 46; L. 1996, ch. 79, § 8; L. 2000, ch. 160, § 13; L. 2011, ch. 55, § 20; May 15.