

QUARTERLY CLAIM REVIEW

Marcus Delgado Lumbar Fusion & Failed Conservative Care

CLAIM NO.	WC-2024-01877
DATE OF INJURY	April 18, 2024
EMPLOYER	Titan Freight Logistics, Inc.
JURISDICTION	Texas
REPORT DATE	February 14, 2026

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Quarterly Claim Review · Claim WC-2024-01877 · Marcus Delgado · DOI 04/18/2024 · Report Date 02/14/2026

Executive Summary

STATUS — OPEN & LITIGATED

Employee remains off work receiving temporary income benefits 22 months post-injury. Permanent spinal cord stimulator remains in dispute; approval could trigger significant lifetime medical liability. Settlement discussions open. Resolution timeline 24–36 months absent global settlement.

Key Findings

Claim status: open & litigated. Employee remains off work receiving temporary income benefits 22 months post-injury. Failed conservative care led to lumbar fusion surgery (October 2024); post-operative complications and chronic pain persist.

High medical & indemnity exposure. Total incurred to date is \$402,118. Permanent spinal cord stimulator remains in dispute; approval could trigger significant lifetime medical liability.

Return-to-work blocked. Functional capacity testing shows employee unable to meet warehouse forklift operator job demands (restrictions: ≤15 lbs lift, no sustained bending). Employer cannot accommodate permanent restrictions.

Litigation active. Claimant's attorney involved; dispute centers on medical necessity of spinal cord stimulator implantation and permanent disability classification. Carrier IME (August 2025) declared MMI; treating surgeon disagrees.

Settlement discussions open. Due to lifetime medical exposure, parties have initiated settlement dialogue. Resolution timeline estimated at 24–36 months without global settlement.

Financial Snapshot

CATEGORY	PAID TO DATE	CURRENT RESERVE	TOTAL INCURRED
Medical	\$184,770	\$250,000 (recommended increase)	\$434,770
Indemnity	\$121,884	Ongoing TIB exposure	\$121,884+
Legal / Admin	\$38,220	—	\$38,220
Total	\$344,874	\$250,000+	\$402,118+

Reserve posture. Internal recommendation to increase medical reserve by \$250,000 reflects spinal cord stimulator authorization uncertainty and chronic pain management costs. TIB exposure exceeds 90 weeks; permanent total disability risk is rising.

Medical Summary

Marcus Delgado underwent lumbar fusion surgery (L4–L5 laminectomy, discectomy, instrumented fusion) in October 2024 after 24 weeks of failed conservative care for a large disc herniation with severe nerve compression. Post-operative recovery has been complicated by persistent neuropathic pain in his left lower extremity, chronic radiculopathy confirmed by EMG, and secondary psychological distress (adjustment disorder with depression). A temporary spinal cord stimulator trial in October 2025 provided approximately 60% symptom relief; permanent implantation is currently pending utilization review appeal and remains medically disputed between the treating surgeon and carrier IME physician.

Litigation Status

Attorney involvement. Yes — James Holloway, Esq. (Holloway Injury Law, Dallas) represents the claimant.

Core dispute. Carrier IME physician (Dr. Victor Lang) declared the claimant reached maximum medical improvement (MMI) on August 11, 2025, with sedentary employment capacity and opined that permanent spinal cord stimulator implantation is not medically necessary. The treating surgeon (Dr. Elena Foster) disagrees and recommends the permanent implant based on the temporary trial's

success. This disagreement has triggered a utilization review appeal and blocks claim closure. Claimant's counsel is actively pursuing settlement discussions due to the lifetime medical liability exposure from potential spinal cord stimulator maintenance, replacement, and associated pain management. No formal hearing is currently scheduled, but the case is moving toward either utilization review resolution or settlement negotiation.

90-Day Outlook

Medical trajectory

- Utilization review appeal decision expected within 30–45 days on spinal cord stimulator authorization.
- If denied, claimant and treating surgeon may escalate to workers' compensation hearing or pursue settlement; if approved, permanent implantation procedure would follow (60–90 days post-authorization).
- Psychological component (pain psychologist) will continue concurrent with medical pathway.

Return-to-work plan

- No viable RTW expected in next 90 days. Functional capacity evaluation (June 2025) confirmed claimant cannot meet original job duties. Employer has indicated inability to create permanent light-duty role.
- Any RTW would require sedentary position outside warehouse operations — feasibility unclear and employer has not proposed alternative placement.

Key events (next 90 days)

- **Week 1–6.** Utilization review appeal decision on spinal cord stimulator.
- **Week 8–12.** Settlement demand / negotiation meeting(s) if medical dispute remains unresolved.
- **Week 12+.** Potential permanent implant surgery or workers' compensation hearing notice if settlement stalls.

Action Plan

ACTION ITEM	OWNER	TARGET DATE
Monitor utilization review appeal status — obtain written decision on spinal cord stimulator authorization and immediately notify employer client of outcome.	Adjuster (Rachel Kim)	March 14, 2026
Initiate settlement valuation analysis — prepare cost-benefit analysis comparing permanent implant approval + lifetime medical exposure vs. lump-sum settlement payoff to present to management and legal team.	Adjuster + Internal Claims Counsel	March 30, 2026
Engage defense counsel on mediation strategy — if UR appeal is denied, schedule pre-suit mediation with claimant’s attorney to explore global settlement range before formal hearing is filed.	Defense Counsel	April 15, 2026
Verify Medicare Set-Aside requirement — confirm with tax advisor whether permanent disability + spinal cord stimulator triggers MSA obligation; if yes, reserve accordingly and communicate timeline to claimant’s counsel.	Adjuster + Compliance	March 31, 2026
Communicate findings and financial impact to employer risk manager — schedule brief call with Titan Freight HR / risk manager; emphasize settlement likelihood, timeline, and no RTW viability; confirm employer’s participation preference in settlement discussions.	Adjuster	March 7, 2026

CONFIDENTIALITY NOTE

This document has been reviewed and edited to remove internal reserve methodology, claims system protocols, and defense counsel litigation strategy. The version presented to the employer client focuses on claim trajectory, financial impact, and action items only.

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