

[Company Name]
[Company Address]
[City, State, Zip Code]

[Date]

[Employee Name]
[Employee Address]
[City, State, Zip Code]

Subject: Termination of Employment due to Medical Disability and Severance Agreement

Dear [Employee Name],

As previously discussed, we have reviewed your medical status following your workplace injury on [Date of Injury]. Based on the medical documentation provided by your healthcare providers, it is understood that you have reached Maximum Medical Improvement (MMI) with permanent restrictions that prevent you from performing the essential functions of your role as [Job Title].

Despite our efforts to explore reasonable accommodations and alternative positions, we have determined that no suitable vacancies exist that meet your medical limitations. Therefore, your employment with [Company Name] will officially end on [Termination Date].

In recognition of your service and the circumstances surrounding your departure, [Company Name] offers you the following severance package:

- **Severance Pay:** A lump sum payment of \$[Amount], equivalent to [Number] weeks of pay.
- **Vacation/PTO:** Payment for all accrued but unused vacation time totaling [Number] hours.
- **Insurance Coverage:** Health benefits will continue through [Date], after which you will receive COBRA enrollment information.
- **Workers' Compensation:** This severance agreement is separate from any ongoing workers' compensation claims or benefits you may be entitled to under state law.

This offer is contingent upon your signing and returning the enclosed Release of Claims Agreement by [Deadline Date].

We thank you for your contributions to the company and wish you the best in your recovery and future endeavors.

Sincerely,

[Name of HR Representative]
[Title]
[Company Name]