

MINNESOTA SUPREME COURT FINDS PRIOR JUDICIAL DENIAL OF MEDICAL DEVICE DOES NOT BAR EMPLOYEE'S NEW CLAIMS RELATED TO DEVICE WHICH ACCRUED AFTER FIRST COURT DECISION

Remands Case to Compensation Judge for Additional Findings

On July 22nd, the Supreme Court of Minnesota determined res judicata does not bar a claim for payment of medical expenses incurred to treat a work-related injury if the right to seek reimbursement for those expenses had not arisen at the time of the previously denied claim. Mach v. Wells Concrete Co. and CCMSI, A14-2065 (July 22, 2015). Furthermore, the doctrine of collateral estoppel does not bar the claim for medical expenses if the facts establish that the employee's condition had changed since the time of the previously denied claim.

Mach brought a claim in 2010, claiming he sustained complex regional pain syndrome ("CRPS") as a result of his work injury and was entitled to compensation for medical expenses, including expenses incurred for the implantation of a spinal cord neurostimulator. The compensation judge concluded the employee failed to show he suffered from CRPS. The judge also denied the request for the neurostimulator. The WCCA affirmed the compensation judge's findings.

The employee underwent surgery for the neurostimulator before the first hearing. He subsequently had the first neurostimulator removed and replaced it with a new one. He filed a second request for medical benefits in 2013, and submitted a letter from a doctor who started treating him in 2012. The new doctor concluded the employee had CRPS, his CRPS was related to his work injury and his spinal cord stimulator should be revised or replaced.

The employer and insurer argued res judicata and collateral estoppel barred the employee's claims. The compensation judge granted the employer and insurer's motion to dismiss but the WCCA reversed.

The Minnesota Supreme Court described res judicata as "a finality doctrine" that applies when a subsequent actor or suit is predicated on the same cause of action" previously determined by a judgment. The Minnesota Supreme Court held the findings and order in the 2010 claim covered only claims for expenses incurred for treatment prior to January 5, 2011. In this case, the claim involved expenses received in January 2012 or later. Accordingly, res judicata could not apply. The court cited case law holding an employer is liable for ongoing medical treatment for a work injury unless the effects of the work injury have resolved.

Collateral estoppel is issue preclusion. The Supreme Court found the compensation judge in 2013 did not determine whether the employee's medical condition had changed or if new material facts had emerged. He must make findings on these issues before he can determine if collateral estoppel precludes the employee's 2013 claims. The Supreme Court vacated the WCCA's decision and remanded to the compensation judge to determine if the employee's medical condition had changed or if new material facts had emerged.