WORKERS' COMPENSATION APPEALS BOARD STATE OF CALIFORNIA

WALTER CARNEY, JR. (Deceased), Applicant

vs.

POST COMPANY GRADING CONTRACTORS, INC., GRANITE STATE INSURANCE COMPANY, administered by AIG; STATE COMPENSATION INSURANCE FUN, *Defendants*

Adjudication Number: ADJ638028 Anaheim District Office

OPINION AND ORDERS DENYING PETITION FOR RECONSIDERATION; GRANTING PETITION FOR RECONSIDERATION AND DECISION AFTER RECONSIDERATION

Defendants Granite States Insurance (Granite) and State Compensation Insurance Fund (SCIF) each seek reconsideration of the June 17, 2021 Findings Award and Order issued by the workers' compensation administrative law judge (WCJ). We have considered the allegations of the Petitions for Reconsideration and the contents of the reports of the workers' compensation administrative law judge (WCJ) with respect thereto. Based on our review of the record, and for the reasons stated in the WCJ's reports, both of which we adopt and incorporate, we will deny SCIF's Petition for Reconsideration, grant Granite's Petition for Reconsideration, amend the June 17, 2021 Findings Award and Order by omitting Granite's name from the award, and otherwise affirm the WCJ's decision.

For the foregoing reasons,

IT IS ORDERED that SCIF's Petition for Reconsideration of the June 17, 2021 Findings Award and Order is **DENIED**.

IT IS FURTHER ORDERED that Granite's Petition for Reconsideration of the June 17, 2021 Findings Award and Order is **GRANTED**.

IT IS FURTHER ORDERED as the Decision After Reconsideration of the Workers' Compensation Appeals Board that the June 17, 2021 Findings Award and Order is **AFFIRMED**, **EXCEPT** that it is **AMENDED** as follows:

* * *

AWARD IS MADE in favor of WALTER CARNEY, JR., against POST GRADING CONTRACTORS, INC., and STATE COMPENSATION INSURANCE FUND of:

a. Accrued temporary disability in accordance with paragraph 5 above.

b. Accrued permanent disability in accordance with paragraph 18 above.

c. Applicant's Attorney is awarded fees in accordance with paragraph 19 above.

* * *

WORKERS' COMPENSATION APPEALS BOARD

/s/ JOSÉ H. RAZO, COMMISSIONER

I CONCUR,

/s/ CRAIG SNELLINGS, COMMISSIONER



DATED AND FILED AT SAN FRANCISCO, CALIFORNIA

August 31, 2021

SERVICE MADE ON THE ABOVE DATE ON THE PERSONS LISTED BELOW AT THEIR ADDRESSES SHOWN ON THE CURRENT OFFICIAL ADDRESS RECORD.

WALTER CARNEY III THE LAW OFFICES OF STEVEN C. HERTZ STATE COMPENSATION INSURANCE FUND TESTAN LAW

PAG/abs

I certify that I affixed the official seal of the Workers' Compensation Appeals Board to this original decision on this date. *abs*



REPORT AND RECOMMENDATION OF WORKERS' COMPENSATION JUDGE ON PETITION FOR RECONSIDERATION

I. INTRODUCTION

1.	Applicant's occupation	:	Heavy Equipment Operator
	Applicant's Age	:	51
	Date of Injury	:	March 11, 2005
	Parts of Body Injured	:	Back, Right Knee, Right Lower Extremity,
			Right Hip, Left Shoulder, and Hypertension.
	Manner in which it occurred	:	Specific Incident
2.	Identity of Petitioner	:	Defendant Post Grading Contractors/ Granite State Insurance
	Timeliness	:	Petition is timely
	Verification	:	Petition is verified
3.	Date of Order	:	June 17, 2021

4. Petitioner contends that the WCJ erred in:

Including Granite States Insurance in the Award issued on June 17, 2021

II FACTS

The applicant Walter Carney, ... while employed by Post Grading Contractors, Inc. as a heavy equipment operator, Occupational Group Number 351, in Tustin, California, sustained an injury on March 11, 2005, arising out of and in the course of employment to his low back and right knee.

At the time of injury, the employer's workers' compensation carrier was State Compensation Insurance Fund.

The matter proceeded to trial before the undersigned Judge on October 29, 2020.

After opportunity was provided to submit trial briefs the matter was referred to the Disability Evaluation Unite for a consultative rating.

The matter was subsequently set for trial at the request of the parties to cross-examine the rater. At the time of the subsequent trial, the parties stipulated that the matter could be submitted for decision without cross-examining the rater.

The undersigned judge issued his Findings Award and Order against Post Grading Contractors, Inc., Granite State Insurance Co., and State Compensation Insurance Fund on June 17, 2021.

Petitions for Reconsiderations have been filed by both Granite State Insurance and State Compensation Insurance Fund.

Given the nature of the issues raised in the petitions and the lack of overlap in the issues raised, the undersigned Judge will address each Petition for Reconsideration separately.

III DISCUSSION

The defendant Granite State Insurance asserts the Award issued is not supported by the undersigned Judge's findings of fact. That the Award should only have been issued against State Compensation Insurance Fund, since AIG administering for Granite States Insurance did not provide coverage for the March 11, 2005 date of injury and State Compensation Insurance Fund was the only carrier on the loss on March 11, 2005.

Upon review of the Findings Award and Order, the undersigned Judge acknowledges that there was a clerical error in the Findings Award and Order and that it improperly included Granite State Insurance in the Award.

VI RECOMMENDATION

For the reasons stated above, it is respectfully recommended that Granite State Insurance's Petition for Reconsideration be granted and that the AWARD be amended as follows:

AWARD is made in favor of WALTER CARNEY, JR. against POST GRADING CONTRACTORS, INC.; GRANITE STATE INSURANCE CO., and STATE COMPENSATION INSURANCE FUND of:

To be replaced with:

AWARD is made in favor of WALTER CARNEY, JR. against POST GRADING CONTRACTORS, INC. and STATE COMPENSATION INSURANCE FUND of:

DATE: July 20, 2021

Oliver Cathey WORKERS' COMPENSATION ADMINISTRATIVE LAW JUDGE

REPORT AND RECOMMENDATION OF WORKERS' COMPENSATION JUDGE ON PETITION FOR RECONSIDERATION

I. INTRODUCTION

1.	Applicant's occupation	:	Heavy Equipment Operator
	Applicant's Age	:	51
	Date of Injury	:	March 11, 2005
	Parts of Body Injured	:	Back, Right Knee, Right Lower Extremity,
	•		Right Hip, Left Shoulder, and Hypertension.
	Manner in which it occurred	:	Specific Incident
2.	Identity of Petitioner	:	Defendant Post Grading Contractors/State Compensation Insurance Fund
	Timeliness	:	Petition is timely
	Verification	:	Petition is verified
3.	Date of Order	:	June 17, 2021

- 4. Petitioner contends that the WCJ erred in:
 - a. Finding that the applicant sustained only a single industrial injury
 - b. Finding that defendant was liable for accrued permanent disability at the time of his death
 - c. Finding that defendant was liable for temporary total disability benefits.
 - d. Relying on the medical reporting of Dr. Hirsh to support the finding of injury.

II FACTS

The applicant Walter Carney, ... while employed by Post Grading Contractors, Inc., as a heavy equipment operator, Occupational Group Number 351, in Tustin, California, sustained an injury on March 11, 2005, arising out of and in the course of employment to his low back and right knee and had alleged injury to his left shoulder, neck, right lower extremity, hypertension, heart, psyche, and sleep disorder.

At the time of injury, Post Grading Contractors, Inc.'s workers' compensation carrier was State Compensation Insurance Fund.

The matter proceeded to trial before the undersigned judge on October 29, 2020.

After opportunity was provided to submit trial briefs the matter was referred to the Disability Evaluation Unit for a consultative rating.

The matter was subsequently set for trial at the request of the parties to cross-examine the rater. At the trial, the parties stipulated that the matter could be submitted for decision without the cross-examination of the rater.

The undersigned judge issued his Findings Award and Order against Post Grading Contractors, Inc., Granite State Insurance Co., and State Compensation Insurance Fund on June 17, 2021.

Petitions for reconsiderations have been filed by both Granite States Insurance and State Compensation Insurance Fund.

Given the nature of the issues raised in the petitions and the lack of overlap, the undersigned judge will address each petition for consideration separately.

III DISCUSSION

ADMISSIBILITY OF THE APPLICANT'S JULY 15, 2008 DEPOSITION TRANSCRIPT

State Compensation Insurance Fund asserts there are two dates of injury for applicant's workers' compensation injuries.

To support their contention, State Compensation Insurance Fund refers to the July 15, 2008 deposition of the applicant, which it asserts was inadvertently not admitted into evidence at the time of trial.

The parties reviewed the pretrial conference statement with the undersigned judge at trial, and several changes were made. In addition, a discussion was had to identify which documents were to be submitted on behalf of the applicant, the defendants, and jointly by the parties.

The parties made no indication that the exhibit list named two separate deposition transcripts for the applicant nor that both depositions transcripts were to be submitted. A review of the Amended Pretrial conference shows that only one exhibit designation was provided for a deposition of the applicant.¹ That deposition was the May 4, 2009 transcript which was admitted as Applicant's Exhibit 7.

The Amended pretrial statement was provided to the parties. The parties responded that they were ready and agreed to proceed to trial with the stipulations, issues, and exhibits as identified in the Amended pretrial statement.

The defendant now asserts that the failure to identify the applicant's deposition transcript of July 15, 2008 was an error of the undersigned judge and a mutual mistake by the parties. The defendant implies that it intended to submit the deposition by referencing the statement on the

¹ Pre-trial Conference Statement (Amended on trial date of 10-29-2020) EAMS Doc ID: 73449172, Page 6

defendant's exhibit page that states, "Defendant incorporates all exhibits of Applicant and Co-Defendant."²

This language, at best, allows the defendant to submit documentation named by the opposing party at the time of trial. However, it does not relieve a party from having to request that the documentation be taken into evidence at trial and/or allow the party to have the document submitted after the matter is submitted and a decision issued.

The deposition in question was not offered at the time of trial as a proposed exhibit by any party. When the documents to be submitted as evidence were read into the record, no party advised the court that a document, the applicant's deposition transcript of July 15, 2008, was missing.

In addition, when the parties received the October 29, 2020, Minutes of Hearing and Summary of Evidence, no party advised the court that there was a document the parties intended to submit as evidence that had been inadvertently overlooked and not included.

The first time it was brought to the undersigned judge's attention that the parties intended to submit the applicant's deposition transcript of July 15, 2008, was in the defendant's Petition For Reconsideration.

"A document that is not part of the adjudication file shall not be attached to or filed with a petition for reconsideration or answer unless a ground for the petition for reconsideration is newly discovered evidence."³

There has been no showing that the deposition was undiscoverable, not in the defendant's possession at the time of the Mandatory Settlement Conference, or intended to rebut testimony at trial that was unanticipated and/or surprising.

Based on the above, the applicant's July 15, 2008 deposition transcript should not be taken into evidence. The undersigned judge was not in error in not considering it when making his decision.

DATES OF INJURY

The defendant asserts there are two dates of injury for the applicant's workers' compensation injuries.

In his Findings of Fact and Opinion on Decision, the undersigned judge relied on the opinions of Dr. Albert Simpkins in his determination on causation. Dr. Simpkins diagnosed the applicant with injuries to his left shoulder, right knee, lumbar spine, and right hip.

The parties deposed Dr. Simpkins on the issue of causation. In the deposition, Dr. Simpkins stated that based on the information provided to him, the second fall, which caused an injury to the applicant's left shoulder, was due to the original March 11, 2005 injury, which resulted in the

² Pre-trial Conference Statement (Amended on trial date of 10-29-2020) EAMS Doc ID: 73449172, Page 7

³ 8 CCR 10945(c)(2)

knee giving out.⁴ However, Dr. Simpkins, on follow up stated he would want to know if, at the time applicant's right knee gave out, the applicant was torquing something or twisting something.⁵

In his subsequent deposition, Dr. Simpkins was asked if his opinion remained that, but for the applicant's injury to his right knee in 2005, he would not have fallen and injured his left shoulder in 2005. Dr. Simpkins answered in the affirmative.⁶

At the time of Dr. Simpkins deposition, he had been provided with the July 15, 2008 deposition transcript, which had the applicant's description of the August 28, 2006 incident.⁷

On follow-up questioning, Dr. Simpkins acknowledged that the applicant reported on August 28, 2016, to having pressure on that right knee but stated that "without talking about something either speculative or intertwined, it would be tough to state that one injury versus the other was responsible for the leg giving out".⁸

At trial, no evidence was submitted that the applicant was torquing something or twisting something when his knee gave out on August 28, 2006. As such, Dr. Simpkins's opinion that, but for the applicant's injury to his right knee in March of 2005, the applicant would not have fallen and injured his left shoulder in August 2006, remains persuasive and is supported by the record provided to him.

Defendant asserts that the applicant in his July 15, 2008 deposition provided testimony that, when taken into consideration with Dr. Simpkins's deposition testimony, supports a determination that rebuts the undersigned Judge's finding of a single injury and supports a finding that the applicant sustained two distinct injuries.

Though the July 15, 2008 deposition transcript is not admissible, the undersigned judge reviewed the transcript to determine if there was merit to the defendant's argument.

In the applicant's July 15, 2008 deposition, the applicant did provide a more detailed description of the August 28, 2006 incident. The applicant stated that he was required to put air in his machine's tires on the day in question. This required him to use a step to get to the engine compartment to plug in the air hose. After unplugging the air hose and while standing on the step, his knee gave out, causing him to fall.⁹

Later in the deposition, the applicant provided more clarification. Prior to releasing the air hose, the applicant was supporting some of his weight with the hose. However, upon release, he supported all his weight on his leg, which is when it gave out.¹⁰ This was referred to, by the

⁴ Joint Exhibit W, Deposition of Dr. Albert Simpkins dated March 5, 2018, Page 14 Lines 19 to 25

⁵ Joint Exhibit W, Deposition of Dr. Albert Simpkins dated March 5, 2018, Page 15 Lines 1 to 3

⁶ Joint Exhibit Y, Deposition of Dr. Albert Simpkins dated February 4, 2019, Page 30 Lines 8 to 13

⁷ Joint Exhibit U, Medical report of Dr. Albert Simpkins dated November 18, 2009, Review of Additional Records, Page 4

⁸ Joint Exhibit Y, Deposition of Dr. Albert Simpkins dated February 4, 2019, Page 31 Line 11 to 22

⁹ Transcript of Applicant's July 15, 2008 Deposition, EAMS Doc ID: 37323155, Page 26 Lines 5 to 12

¹⁰ Transcript of Applicant's July 15, 2008 Deposition, EAMS Doc ID: 37323155, Page 42 Lines 5 to 9 and Page 44 Lines 8 to 10

defendant, in the deposition as a strenuous activity; however, the undersigned judge notes the applicant was only standing in place. He was not climbing, twisting, or torquing.

In addition, the applicant testified that while working, his knee could give out once or twice a day. The applicant stated that sometimes he could go up to four or five days without the knee-buckling.¹¹

The undersigned Judge, upon review of the July 15, 2008 deposition, finds that he would not have changed his findings and believes that the applicant's deposition testimony supports the finding of a single injury.

After the March 11, 2005 injury, the applicant's right knee regularly and frequently would give out. There is nothing in the record that suggests that the applicant was doing anything more strenuous than standing on August 28, 2016, when his knee gave out, and he fell.

The evidence submitted demonstrates that a consequence of the March 11, 2005 injury was instability in the applicant's right knee, which caused the knee to regularly and frequently give out. The evidence submitted supports a finding that it was the regular and frequent giving out of the applicant's knee that caused the applicant to fall on August 28, 2016, when his knee once again gave out.

Based on the above, the undersigned judge did not err in finding that the applicant had sustained a single injury on March 11, 2005, and that the August 28, 2016 injury was a compensable consequence of the March 11, 2005 injury.

ACCRUED PERMANENT DISABILITY AND LIFE PENSION BENEFITS WERE OWED THROUGH THE DATE OF THE APPLICANT'S PASSING AWAY

Defendant State Compensation Insurance Fund asserts that the undersigned judge erred in finding that the applicant had accrued permanent disability benefits at the time of his passing on April 5, 2019. More specifically, the defendant asserts that the undersigned judge erred in finding that the applicant was 80% permanently disabled at the time of his death.

The defendant's first contention is that the applicant was not entitled to 80% WPI/PD for the March 11, 2005 injury because there were two dates of injury and that Dr. Simpkins and Dr. Hirsch apportioned causation to both dates of injury.

As previously discussed, the evidence supports a finding that the August 28, 2016 injury was a compensable consequence of the March 11, 2005 injury, and as such, there was only one injury.

The defendant's assertion is not a valid basis by which to find the parties or court cannot reasonably estimate the applicant's permanent disability at the time of death. However, the defendant contends that the undersigned judge erred in finding the applicant was 80% permanently

¹¹ Transcript of Applicant's July 15, 2008 Deposition, EAMS Doc ID: 37323155, Page 34 Lines 18 to 21

disabled as a reasonable estimate of permanent disability and life pension benefits after the applicant's June 13, 2013, and/or February 2, 2015 falls and injuries could not be determined.

The defendant also contends that it would be speculative to assume PD after June 13, 2013, was the same as on November 8, 2012, because the applicant was not MMI.

In support of this contention, the defendant points to the February 2, 2015, medical report of Dr. Simpkins. Dr. Simpkins, in his report, provides a follow-up history for the applicant's injuries. In this history, it is reported that in June 2013, the applicant had an incident where he was walking with a cane when his right leg gave out, causing him to fall, fracturing his right lower leg just below the knee. He was taken by ambulance to the emergency room, where he was stabilized. He underwent additional right lower extremity surgery but was left with a lot of residual symptoms.¹²

The applicant had another incident in July 2014 when he had to make a quick motion while walking to avoid falling and heard and felt a snap in his ankle. The applicant underwent right ankle surgery, which involved the placement of a steel rod.¹³

After this, the applicant received aggressive therapy for the leg, which severely aggravated his lower back. The applicant reported numerous incidents where his lower back pain was increased due to falls. The applicant was noted to have previously been using a cane but then needed to use a wheelchair.¹⁴

Dr. Simpkins stated that the applicant had sustained multiple fractures since the last evaluation, necessitating additional surgery. It was Dr. Simpkins's opinion that the fractures were secondary to the original injury of March 11, 2008, were industrial in nature, and require medical care. Dr. Simpkins deferred issuing an additional opinion on causation and apportionment until the applicant's condition stabilized.¹⁵

The defendant contends it would be speculative to assume the applicant's permanent disability would be greater than on November 12, 2012, when he was declared permanent and stationary for all industrial injuries.

The undersigned judge disagrees. Based on the medical reporting, the applicant's injuries remained symptomatic, and the applicant's condition continued to deteriorate. In addition, the applicant's knee continued to be unstable and resulted in multiple injuries that were compensable consequences of his initial March 11, 2005 injury.

In his review of the records submitted, the undersigned judge was persuaded that, given the continued deterioration of the applicant's condition and the subsequent injuries that were compensable consequences of the initial injury, with reasonable probability, the level of permanent disability sustained by the applicant would, if not increased, remain the same as it was at the time

¹² Joint Exhibit P Medical report of Dr. Albert Simpkins dated February 2, 2015, Page 2

¹³ Joint Exhibit P Medical report of Dr. Albert Simpkins dated February 2, 2015, Page 2

¹⁴ Joint Exhibit P Medical report of Dr. Albert Simpkins dated February 2, 2015, Page 3

¹⁵ Joint Exhibit P Medical report of Dr. Albert Simpkins dated February 2, 2015, Page 14

of Dr. Simpkins November 12, 2012 evaluation. As such, the undersigned judge did not err in finding that the applicant sustained an estimated permanent disability of 80%.

California labor code section 4650(b)(1) provides that "[i]f the injury causes permanent disability, the first payment shall be made within 14 days after the date of last payment of temporary disability indemnity, except as provided in paragraph (2). When the last payment of temporary disability indemnity has been made pursuant to subdivision (c) of Section 4656, and regardless of whether the extent of permanent disability can be determined at that date, the employer nevertheless shall commence the timely payment required by this subdivision and shall continue to make these payments until the employer's reasonable estimate of permanent disability indemnity due has been paid, and if the amount of permanent disability indemnity due has been paid."

At the trial, the parties placed at issue the applicant's amount of permanent disability and asked the undersigned judge to make this determination.

The undersigned judge made the determination and found that the applicant was 80% permanently disabled due to the injuries he sustained to his lumbar spine, right hip, right knee, and cardiovascular system in the form of the hypertensive disorder.

Based on this determination, the applicant would have been entitled to permanent disability benefit payments commencing 14 days after the defendant should have terminated temporary disability payments on August 6, 2007.

TEMPORARY DISABILITY BENEFITS OWED

The applicant's injury was on March 11, 2005, where he sustained a fracture just below the right knee that required surgical correction.

The applicant remained off work until approximately January 12, 2006, when he returned to work.¹⁶ The applicant worked until he was taken off work on September 7, 2006, due to the August 28, 2006 incident.¹⁷

The applicant never returned to work after being placed on temporary total disability status on September 7, 2006.

The applicant was declared permanent and stationary for all industrial injuries on November 8, 2012.¹⁸

¹⁶ Applicant's Exhibit 6 Medical report of Dr. Hirsch dated November 9, 2009, Page 27; Joint Exhibit V, Medical report of Dr. Albert Simpkins dated February 27, 2008, Page 2

¹⁷ Applicant's Exhibit 6 Medical report of Dr. Hirsch dated November 9, 2009, Page 28; Joint Exhibit V, Medical report of Dr. Albert Simpkins dated February 27, 2008, Page 3

¹⁸ Joint Exhibit U, Medical report of Dr. Albert Simpkins dated November 18, 2009, Page 10

The evidence submitted supports the finding that the applicant was temporarily totally disabled between March 11, 2005 and January 12, 2006, and then from September 7, 2006 to November 8, 2012.

California Labor Code Section 4656 (c) (1) provides "[a]ggregate disability payments for a single injury occurring on or after April 19, 2004, causing temporary disability shall not extend for more than 104 compensable weeks within a period of two years from the date of commencement of temporary disability payment."

It is well established that from the date of commencement of temporary disability payments within the context of the statute means the date temporary disability indemnity is first paid.¹⁹

The defendant State Compensation Insurance Fund's first payment of temporary disability indemnity was on August 8, 2005.²⁰ As such, 104 weeks began on August 8, 2005 and ended on August 6, 2007.

Therefore, the undersigned judge did not err in finding that defendant State Compensation Insurance Fund was liable for temporary total disability benefits from March 11, 2005 to January 12, 2006, and then from September 7, 2006 to August 6, 2007.

MEDICAL REPORTS OF DR. HIRSCH

Defendant State Compensation Insurance Fund's final contention is that the reports of Dr. Hirsch are stale and required a re-evaluation and report before the applicant's passing away.

Defendant State Compensation Insurance Fund contends that since the applicant's orthopedic injuries were no longer MMI as of June 13, 2013, and then again as of February 2, 2015, there was a change in the applicant's medical condition for his underlying orthopedic injuries; That change required an updated medical report from Dr. Hirsch. As such, the defendant states that the medical reports of Dr. Hirsch were no longer valid because of the staleness of his reports and all of the medical treatment that occurred after his August 31, 2012, MMI report.

The defendant has identified no evidence demonstrating that there were nonindustrial factors that were not in existence or considered by Dr. Hirsch in his August 31, 2012 report.

As discussed previously, based on the medical reporting, the applicant's injuries remained symptomatic, and the applicant's condition continued to deteriorate. The applicant's knee continued to be unstable and resulted in multiple compensable consequences of his initial March 11, 2005 injury.

A review of the records submitted supports a finding that, given the continued deterioration of the applicant's condition and the subsequent injuries that were compensable consequences of the initial injury, with reasonable probability, the level of apportionment and permanent disability

¹⁹ Hawkins v. Amberwood Prods., 72 Cal. Comp. Cases 807, (W.C.A.B. June 13, 2007)

²⁰ Defense Exhibit A, Benefits printout from State Compensation Insurance Fund dated September 21, 2015

sustained by the applicant would, if not increase, have remained the same as it was at the time of Dr. Hirsch's August 31, 2012, MMI report.

Wherefore, the undersigned judge did not err in relying on the medical reporting of Dr. Hirsch in his determination of apportionment for the applicant's industrial hypertension.

VI RECOMMENDATION

For the reasons stated above, it is respectfully recommended that State Compensation Insurance Fund's petition for reconsideration be denied.

DATE: July 20, 2021

Oliver Cathey WORKERS' COMPENSATION ADMINISTRATIVE LAW JUDGE