

SUPREME COURT OF TEXAS

Liberty Mutual Insurance Company v. Ricky Adcock

412 S.W.3d 492 (Tex. 2013) · No. 11-0934 · Decided August 30, 2013

SUMMARY

The Texas Supreme Court held that the Division of Workers’ Compensation lacks jurisdiction to reopen a prior determination awarding lifetime income benefits based on an alleged improvement in the claimant’s condition. The opinion affirmed the court of appeals’ judgment, concluding that the Workers’ Compensation Act does not provide a procedure for reopening such determinations. Justice Green dissented, arguing that the Division has implied authority to determine continuing eligibility for lifetime income benefits.

CASE DETAILS

COURT	Supreme Court of Texas
WRITING FOR THE COURT	Justice Guzman; Justice Johnson; Justice Willett; Justice Lehrmann; Justice Boyd; Justice Devine; Chief Justice Jefferson; Justice Hecht; Justice Green
JURISDICTION	Texas
DECIDED	August 30, 2013
DOCKET	11-0934
DISPOSITION	affirmed
PROCEDURAL POSTURE	Liberty Mutual sought a new contested case hearing before the Texas Department of Insurance, Division of Workers’ Compensation, challenging Ricky Adcock’s continuing eligibility for lifetime income benefits. The hearing officer and appeals panel concluded that the Division had jurisdiction to reopen the determination but found Adcock remained eligible. The trial court granted Adcock summary judgment on jurisdiction, and the court of appeals affirmed. The Supreme Court of Texas granted review and affirmed.
STANDARD OF REVIEW	De novo review of statutory-construction issues and the Division’s jurisdiction to reopen a lifetime-income-benefits determination.
PRECEDENTIAL VALUE	Published, precedential opinion of the Supreme Court of Texas.
PARTIES	Liberty Mutual Insurance Company v. Ricky Adcock

TOPICS

workers compensation

statutory interpretation

administrative law

legislative intent

plain meaning rule

PRACTICE AREAS

workers compensation

insurance

administrative law

statutory interpretation

QUESTIONS PRESENTED

1. Whether the Texas Workers' Compensation Act authorizes the Division to reopen a prior determination awarding lifetime income benefits when the claimant's functional impairment may have improved.
2. Whether the Division may infer such reopening authority from its general statutory duties, agency-deference principles, or the Act's overall workers' compensation scheme.

HOLDINGS

1. The Texas Workers' Compensation Act does not authorize the Division to reopen a prior determination of eligibility for lifetime income benefits. Once eligibility for LIBs is established, the statute mandates payment until the employee's death.
2. The Division could not rely on implied agency authority or deference to create a reopening procedure inconsistent with the Act's text and comprehensive structure.

KEY QUOTATIONS

"Under the guise of agency deference, an agency asks us to judicially engraft into the Texas Workers' Compensation Act a statutory procedure to re-open determinations of eligibility for permanent lifetime income benefits — a procedure the Legislature deliberately removed in 1989." (412 S.W.3d at 494)

"Thus, when, as here, the Division has determined that an employee is eligible for LIBs, the plain language of the statute mandates that such benefits continue until the employee's death." (412 S.W.3d at 495)

"We will not judicially engraft into this comprehensive statute a procedure the Legislature deliberately removed." (412 S.W.3d at 499)

FACTUAL BACKGROUND

Ricky Adcock sustained compensable injuries to his right ankle, right foot, and right hand in 1991, including reflex sympathetic dystrophy after reconstructive surgery. In 1997, a workers' compensation appeals panel determined that he was entitled to lifetime income benefits based on total and permanent loss of use of qualifying extremities. More than a decade later, Liberty Mutual presented video evidence that Adcock could walk and handle objects and sought a new determination of his continuing eligibility for benefits.

PROCEDURAL HISTORY

Adcock was awarded lifetime income benefits in 1997 after a workers' compensation appeals panel determined that he had suffered total and permanent loss of use of qualifying body parts. More than ten years later, Liberty Mutual sought to reopen the determination based on video evidence suggesting that Adcock's condition had

improved. The Division proceedings upheld the benefits, but the trial court and court of appeals concluded that the Division lacked jurisdiction to reopen the prior determination. The Supreme Court affirmed the court of appeals.

DISPOSITION

affirmed

CASES CITED

- Texas Mutual Insurance Co. v. Ruttiger, 381 S.W.3d 430 (Tex. 2012)
- Entergy Gulf States, Inc. v. Summers, 282 S.W.3d 433 (Tex. 2009)
- Molinet v. Kimbrell, 356 S.W.3d 407 (Tex. 2011)
- Public Utility Commission of Texas v. City Public Service Board of San Antonio, 53 S.W.3d 310 (Tex. 2001)
- Texas Natural Resource Conservation Commission v. Lakeshore Utility Co., 164 S.W.3d 368 (Tex. 2005)
- American Zurich Insurance Co. v. Samudio, 370 S.W.3d 363 (Tex. 2012)
- Railroad Commission of Texas v. Texas Citizens for a Safe Future & Clean Water, 336 S.W.3d 619 (Tex. 2011)
- Insurance Co. of State of Pennsylvania v. Muro, 347 S.W.3d 268 (Tex. 2011)
- Columbia Medical Center of Las Colinas, Inc. v. Hogue, 271 S.W.3d 238 (Tex. 2008)
- In re Nalle Plastics Family Ltd. Partnership, 406 S.W.3d 168 (Tex. 2013)
- Texas Natural Resource Conservation Commission v. IT-Davy, 74 S.W.3d 849 (Tex. 2002)
- Bally Total Fitness Corp. v. Jackson, 53 S.W.3d 352 (Tex. 2001)
- FM Properties Operating Co. v. City of Austin, 22 S.W.3d 868 (Tex. 2000)