

SUPREME COURT OF MINNESOTA

Arrowhead Senior Living Community v. Kainz

860 N.W.2d 379 (Minn. 2015) · Decided March 4, 2015

SUMMARY

The Minnesota Supreme Court reversed a Workers' Compensation Court of Appeals decision awarding benefits to Carol Kainz for an ankle injury sustained on a workplace staircase. The court concluded that the WCCA's findings regarding the staircase handrails were manifestly contrary to the evidence and remanded the matter to the compensation judge for reconsideration under the increased-risk test described in *Dykhoff v. Xcel Energy*.

CASE DETAILS

COURT	Supreme Court of Minnesota
WRITING FOR THE COURT	David R. Stras
JURISDICTION	Minnesota
DECIDED	March 4, 2015
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Arrowhead appealed the Workers' Compensation Court of Appeals' affirmance of an award of workers' compensation benefits to Kainz. The Minnesota Supreme Court reversed the WCCA's decision and remanded to the compensation judge for reconsideration.
STANDARD OF REVIEW	The Supreme Court may reverse when the WCCA's decision is manifestly contrary to the evidence. The court reviewed the record, including the compensation judge's findings and photographic evidence, to determine whether the WCCA's factual conclusions were supported.
PRECEDENTIAL VALUE	nonprecedential
PARTIES	Arrowhead Senior Living Community v. Carol Kainz

TOPICS

workers compensation

appellate procedure

standard of review

employment law

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether the WCCA's determination that Kainz's injury arose out of her employment under the increased-risk test was manifestly contrary to the evidence.
2. Whether the matter should be remanded to the compensation judge for reconsideration under the increased-risk test established in Dykhoff.

HOLDINGS

1. The WCCA's decision was manifestly contrary to the evidence because it relied on internally contradictory findings regarding the location of the handrails and failed to account for photographic evidence showing that the handrails extended all the way down the staircase.
2. The case must be remanded to the compensation judge to reconsider the compensability of Kainz's injury in light of Dykhoff and the unresolved evidence concerning whether the staircase presented a special hazard.

KEY QUOTATIONS

"Because the WCCA's decision was "manifestly contrary to the evidence," see Pelowski, 627 N.W.2d at 92, we reverse." (at 381)

"To give the compensation judge an opportunity to reconsider his decision in light of Dykhoff, we remand to the compensation judge for further proceedings consistent with this order." (at 381)

FACTUAL BACKGROUND

Carol Kainz fractured her ankle on a staircase at her workplace and sought workers' compensation benefits. The compensation judge found that the injury arose out of her employment and awarded benefits. The WCCA relied on the absence of handrails and the alleged steepness of the stairs to conclude that the workplace exposed Kainz to a special hazard under the increased-risk test, but the Supreme Court found that the record showed handrails extended throughout the staircase and that the compensation judge's findings were internally inconsistent.

PROCEDURAL HISTORY

Kainz fractured her ankle on a workplace staircase and received workers' compensation benefits after the compensation judge found that her injury arose out of her employment. The WCCA affirmed, initially applying a work-connection test. After the Minnesota Supreme Court reversed that approach in Dykhoff and remanded this case, the WCCA again affirmed under the increased-risk test. The Supreme Court concluded that the WCCA's decision relied on factual findings manifestly contrary to the evidence and remanded for reconsideration in light of Dykhoff.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The matter was remanded to the compensation judge for reconsideration consistent with the order and with *Dykhoff v. Xcel Energy*, including reconsideration of whether Kainz’s injury arose out of her employment under the increased-risk test.

CASES CITED

- *Dykhoff v. Xcel Energy*, 2012 WL 6592145 (Minn. WCCA Nov. 29, 2012)
- *Dykhoff v. Xcel Energy*, 840 N.W.2d 821 (Minn. 2013)
- *Kainz v. Arrowhead Senior Living Community*, 2013 WL 1704315 (Minn. WCCA Apr. 1, 2013)
- *Kainz v. Arrowhead Senior Living Community*, 843 N.W.2d 785 (Minn. 2014)
- *Kainz v. Arrowhead Senior Living Community*, 2014 WL 4253406 (Minn. WCCA Aug. 6, 2014)
- *Pelowski v. K-Mart Corp.*, 627 N.W.2d 89, 92 (Minn. 2001)
- *Hoff v. Kempton*, 317 N.W.2d 361, 366 (Minn. 1982)

OPINION

STRAS, J.

ORDER Respondent Carol Kainz fractured her ankle on a staircase at her workplace, and filed a claim for workers’ compensation benefits. The sole contested issue before the compensation judge was whether Kainz’s injuries “arose out of’ her employment. See Minn.Stat. § 176.021, subd. 1 (2014).

The compensation judge awarded benefits to Kainz, concluding that the injuries “arose out of’ her employment. The Workers’ Compensation Court of Appeals (WCCA) affirmed, relying on its previous decision in *Dykhoff v. Xcel Energy*, 2012 WL 6592145 (Minn. WCCA Nov. 29, 2012), which had applied a “work-connection test” that balanced the “arising out of’ element with the “in the course of’ element to determine the compensability of a workplace injury.

See *Kainz v. Arrowhead Senior Living Community*, 2013 WL 1704315 at *4 (Minn. WCCA Apr. 1, 2013). We stayed Arrowhead’s appeal while we considered *Dykhoff*. After reversing the WCCA’s decision in *Dykhoff*, see *Dykhoff v. Xcel Energy*, 840 N.W.2d 821 (Minn.2013), we remanded this case to the WCCA for further consideration. See *Kainz v. Arrowhead Senior Living Community*, 843 N.W.2d 785 (Minn.2014).

On remand, the WCCA again affirmed. *Kainz v. Arrowhead Senior Living Community*, 2014 WL 4253406 (Minn. WCCA Aug. 6, 2014). This time, the WCCA applied the “increased risk” test from our decision in *Dykhoff*, which requires an employee to show that her workplace “exposed her to a risk of injury that was increased over what she would face in her everyday life” — in other words, a “special hazard.” 840 N.W.2d at 827.

The WCCA primarily relied on two factual findings to conclude that the injury in this case was compensable under the increased-risk test. First, the WCCA held that the compensation judge's finding that "[n]o handrails were on that portion of the stairway where [Kainz] inverted and twisted her ankle" was supported by substantial evidence in the record.

After our review of the record, however, we conclude that this finding is "manifestly contrary to the evidence." *Pelowski v. K-Mart Corp.*, 627 N.W.2d 89, 92 (Minn.2001). Specifically, the WCCA failed to observe that the compensation judge's findings were self-contradictory.

In his order, the compensation judge found that the injury occurred on the sixth step out of twelve on the stairway, where there was "[n]o handrail]," yet also found that the handrails extended "about two-thirds" of the way down the staircase. Both findings cannot be true; one or the other must be incorrect.

The WCCA also relied on photographic evidence to conclude that the compensation judge's "no-handrails" finding was not clearly erroneous. However, we have reviewed the photographic evidence in the record, which conclusively shows that the handrails extend all the way down the staircase.

Second, the WCCA relied on Kainz's testimony that the staircase was "kind of steep" to hold that the injury was compensable under the increased-risk test. However, the compensation judge did not make a finding regarding the steepness of the stairs, and there is potentially conflicting evidence in the record (including the photographs) regarding whether the stairs are so steep that they presented a "special hazard" for Kainz.

Of course, when the compensation judge made his findings, he *381did not have the benefit of our decision in *Dykhoff*. Because the WCCA's decision was "manifestly contrary to the evidence," see *Pelowski*, 627 N.W.2d at 92, we reverse.

To give the compensation judge an opportunity to reconsider his decision in light of *Dykhoff*, we remand to the compensation judge for further proceedings consistent with this order. Therefore, based upon all the files, records, and proceedings herein, IT IS HEREBY ORDERED that the decision of the Workers' Compensation Court of Appeals filed August 6, 2014, be, and the same is, reversed, and the matter is remanded to the compensation judge for the purpose of reconsideration consistent with this order and with *Dykhoff v. Xcel Energy*, 840 N.W.2d 821 (Minn.2013).

See *Hoff v. Kempton*, 317 N.W.2d 361, 366 (Minn.1982) (explaining that summary dispositions "have no precedential value because they do not commit the court to any particular point of view," doing no more than establishing the law of the case). BY THE COURT: /s/- David R. Stras Associate Justice LILLEHAUG, J., took no part in the consideration or decision of this case.

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