

SUPREME COURT OF COLORADO

England v. Amerigas Propane and Indemnity Insurance Company of North America

2017 CO 55 (2017) (Colo. 2017) · No. 16SC444 · Decided May 30, 2017

SUMMARY

The Colorado Supreme Court held that a mandatory workers' compensation settlement form could not waive or limit an injured employee's statutory right to reopen a settlement based on mutual mistake of material fact. The court interpreted the form's unknown-injuries provision consistently with the statute and concluded that it applied only to injuries developing after settlement, while the mutual-mistake provision covered an unknown injury existing when the settlement was executed. The court reversed the court of appeals and remanded for further proceedings.

CASE DETAILS

COURT	Supreme Court of Colorado
WRITING FOR THE COURT	Chief Justice Rice; Justice Hood; Justice Gabriel
JURISDICTION	Colorado
DECIDED	May 30, 2017
DOCKET	16SC444
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	England petitioned for certiorari review of a published Colorado Court of Appeals decision reversing an Industrial Claim Appeals Office ruling that reopened his workers' compensation settlement. The Supreme Court granted certiorari, reversed the court of appeals, and remanded.
STANDARD OF REVIEW	De novo review applies to interpretation of the Colorado Workers' Compensation Act and interpretation of the settlement agreement.
PRECEDENTIAL VALUE	Published and precedential opinion of the Supreme Court of Colorado
PARTIES	Victor England v. Amerigas Propane, Indemnity Insurance Company of North America

TOPICS

workers compensation

statutory interpretation

contract interpretation

administrative law

appellate procedure

PRACTICE AREAS

workers' compensation

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QUESTIONS PRESENTED

1. Whether the mandatory workers' compensation settlement form's release of claims for unknown injuries waived or limited an injured employee's statutory right under section 8-43-204(1), C.R.S., to reopen a settlement based on a mutual mistake of material fact.
2. Whether the parties' mutual ignorance of England's existing scapular fracture constituted a mutual mistake of material fact permitting reopening of the settlement.

HOLDINGS

1. The mandatory settlement form cannot waive or limit an injured employee's statutory right under section 8-43-204(1) to reopen a workers' compensation settlement on the ground of mutual mistake of material fact. The form must be interpreted consistently with the statute.
2. The unknown-injuries provision applies only to injuries that develop after the settlement agreement is signed and approved, while the mutual-mistake provision applies to injuries that are unknown but already exist when the agreement is signed and approved.
3. England established a mutual mistake of material fact because both parties were unaware of the scapular fracture, the fracture existed when the settlement was executed, and England would not have settled had he known of it. He therefore retained the right to reopen his claim.

KEY QUOTATIONS

"We hold that it does not because provisions of the form document must yield to statutory rights." (¶ 1)

"paragraph six applies only to those "unknown injuries" that develop after a settlement agreement is signed and approved and paragraph four applies only to those injuries that constitute a "mutual mistake of material fact" and are unknown and existing before the settlement agreement is signed and approved." (¶ 18)

"The doctrine of mutual mistake has three primary criteria." (¶ 20)

FACTUAL BACKGROUND

Victor England, a truck driver for Amerigas Propane, suffered a serious shoulder injury while making a delivery in December 2012 and underwent two surgeries in 2013. He settled his workers' compensation claim for \$35,000 while believing his continuing pain was part of the recovery process. After the settlement was approved, medical evaluation revealed an undiagnosed scapular fracture caused by a surgical screw; the fracture had existed when the settlement was executed, required additional surgery, and prevented England from returning to work.

PROCEDURAL HISTORY

England settled his workers' compensation claim for \$35,000. After a previously undiagnosed scapular fracture was discovered, an administrative law judge found a mutual mistake of material fact, reopened the claim, and awarded temporary total disability benefits; a panel of the Industrial Claim Appeals Office affirmed. The Colorado Court of Appeals reversed, concluding that the settlement form's unknown-injuries waiver excluded the fracture from the mutual-mistake provision. The Supreme Court reversed and remanded.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

Remand for further proceedings consistent with the opinion, including recognition that England may reopen his workers' compensation claim based on mutual mistake of material fact.

CASES CITED

- Williams v. Kunau, 147 P.3d 33, 36 (Colo. 2006)
- Ad Two, Inc. v. City & Cty. of Denver, 9 P.3d 373, 376 (Colo. 2000)
- Moland v. Indus. Claim Appeals Office, 111 P.3d 507, 510 (Colo. App. 2005)
- Whiteside v. Smith, 67 P.3d 1240, 1245 (Colo. 2003)
- Monfort Transp. v. Indus. Claim Appeals Office, 942 P.2d 1358, 1360 (Colo. App. 1997)
- Padilla v. Indus. Comm'n, 696 P.2d 273 (Colo. 1985)
- Carpenter v. Hill, 283 P.2d 963, 965 (Colo. 1955)
- Cary v. Chevron, 867 P.2d 117, 118 (Colo. App. 1993)
- Reliance Fin. Corp. v. Miller, 557 F.2d 674, 679 (9th Cir. 1977)
- Roller v. Cal. Pac. Title Ins. Co., 206 P.2d 694, 699 (Cal. App. 1949)
- Hailpern v. Dryden, 389 P.2d 590, 593 (Colo. 1964)