

SUPREME JUDICIAL COURT OF MAINE

McAdam v. United Parcel Service & Helmsman Management
Services, Inc., 2001 ME 4

763 A.2d 1173 (Me. 2001) · Decided January 9, 2001

SUMMARY

The Maine Supreme Judicial Court vacated and remanded a Workers' Compensation Board decision concerning Gary McAdam's benefits, average weekly wage, apportionment of liability, earning capacity, and discovery of prior medical records. The court held that liability involving a subsequent employer must be analyzed under 39-A M.R.S.A. § 201(4), that wage fluctuations could justify averaging under § 102(4), and that a one-time union signing bonus constituted an "other benefit" rather than wages. The court also held that the hearing officer abused discretion by denying UPS access to relevant medical information concerning prior shoulder injuries.

CASE DETAILS

COURT	Supreme Judicial Court of Maine
WRITING FOR THE COURT	Saufley, J.; Wathen, C.J.; Clifford, J.; Rudman, J.; Dana, J.; Alexander, J.; Calkins, J.
JURISDICTION	Maine
DECIDED	January 9, 2001
DISPOSITION	vacated
PROCEDURAL POSTURE	United Parcel Service appealed the Workers' Compensation Board hearing officer's decision granting Gary McAdam's petition to fix compensation, determining his average weekly wage, denying apportionment against the City of Portland, and denying enforcement of a medical-records discovery order.
STANDARD OF REVIEW	Findings of fact by a hearing officer are reviewed deferentially and are final absent fraud, while legal conclusions are reviewed under 39-A M.R.S.A. § 322. Discovery rulings are reviewed for abuse of discretion.
PRECEDENTIAL VALUE	Published precedential opinion of the Supreme Judicial Court of Maine
PARTIES	United Parcel Service v. Gary McAdam, City of Portland

TOPICS

workers compensation

administrative law

statutory interpretation

standard of review

appellate procedure

PRACTICE AREAS

workers compensation

administrative law

employment law

QUESTIONS PRESENTED

1. Whether liability for McAdam's disability could be apportioned to the City of Portland under 39-A M.R.S.A. § 201(4) without proof that the City's employment independently caused the disability.
2. Whether union-related fringe benefits were properly included in McAdam's average weekly wage.
3. Whether McAdam's wages were properly averaged under 39-A M.R.S.A. § 102(4)(A) and (B).
4. Whether McAdam's one-time \$1,000 signing bonus was wages or an other benefit under 39-A M.R.S.A. § 102(4)(H).
5. Whether the hearing officer's determination of post-injury earning capacity and award of varying-rate compensation required clarification regarding McAdam's physical incapacity versus his participation in vocational rehabilitation.
6. Whether the hearing officer abused his discretion by denying enforcement of an order requiring McAdam to provide relevant medical records concerning prior shoulder injuries.

HOLDINGS

1. When a subsequent employment results in a work-related injury that aggravates, accelerates, or combines with a preexisting condition, the subsequent employer may be responsible for a portion of the benefits under 39-A M.R.S.A. § 201(4); the subsequent injury need not independently cause the employee's disability.
2. The inclusion of McAdam's union-related fringe benefits in his average weekly wage was erroneous and had to be vacated.
3. The statutory requirement to average wages when they have generally varied from week to week applies without regard to the 200-day cutoff in § 102(4)(B), but ordinary week-to-week differences alone do not establish the required variance.
4. A one-time cash bonus unrelated to the employee's work, efforts, performance, employment goals, or an ongoing compensation scheme is an 'other benefit' under § 102(4)(H), rather than wages, and is subject to that subsection's limitations.
5. The record did not permit review of whether the varying-rate compensation award was based on actual incapacity or merely on McAdam's enrollment in vocational rehabilitation; the hearing officer's findings required clarification on remand.
6. The hearing officer abused his discretion by denying UPS's motion to compel relevant medical information concerning prior injuries to the same body part when Board rules authorized the employer to obtain that information.

KEY QUOTATIONS

“When apportionment issues arise in the context of consecutive employment, if the second employment results in a “work-related injury,” there exists no requirement that the second injury constitute an “independent cause” of the employee’s disability in order for the second employer to be responsible for a portion of the benefits to an employee.” (763 A.2d at 1176)

“If the bonus is regularly received by the employee as a part of an ongoing compensation scheme, such as annual bonuses, or is a bonus related to productivity or other employee and employer accomplishments, or is based on other measurable employee goals, it should be included in the employee’s wages.” (763 A.2d at 1178-79)

“If, in contrast, the bonus is a one-time event, not related to the employee’s work, efforts, or employment goals, it must be considered an “other benefit,” pursuant to 39-A M.R.S.A. § 102(4)(H).” (763 A.2d at 1179)

FACTUAL BACKGROUND

Gary McAdam alleged that he sustained a work-related shoulder injury while employed by UPS in 1990 and later worked as a bus driver for the Town of Cape Elizabeth and the City of Portland. UPS voluntarily paid partial-incapacity benefits, while McAdam pursued vocational rehabilitation and enrolled in a full-time physical-therapist-assistant program. UPS sought apportionment against the City, challenged the calculation of McAdam's average weekly wage and earning capacity, and sought medical records concerning possible prior shoulder injuries from McAdam's professional hockey career.

PROCEDURAL HISTORY

McAdam sought workers' compensation benefits and vocational rehabilitation after an alleged shoulder injury sustained while employed by UPS. UPS petitioned for apportionment against McAdam's subsequent employer, the City of Portland, and challenged the calculation of McAdam's average weekly wage, post-injury earning capacity, varying-rate compensation, and discovery ruling. The hearing officer denied apportionment, included certain benefits and a bonus in the wage calculation, awarded varying compensation, and denied UPS's motion to compel; the Supreme Judicial Court of Maine vacated the decision and remanded for further proceedings.

DISPOSITION

vacated

REMAND INSTRUCTIONS

Vacate the Workers' Compensation Board hearing officer's decision and remand for further proceedings. The hearing officer must reconsider UPS's petition for apportionment under 39-A M.R.S.A. § 201(4), exclude the erroneously included fringe benefits, clarify and reconsider the post-injury earning-capacity and varying-rate-compensation findings based on physical incapacity rather than rehabilitation enrollment, and enforce the authorized discovery of relevant prior medical records.

CASES CITED

- Poole v. Statler Tissue Corp., 400 A.2d 1067, 1069 (Me. 1979)
- Hincks v. Robert Mitchell Co., 1999 ME 172, ¶¶ 9-12, 740 A.2d 992, 995-96
- Freeman v. Co-Hen Egg Co., 430 A.2d 1107, 1108 (Me. 1981)
- Nielsen v. Burnham & Morrill, Inc., 600 A.2d 1111, 1112 (Me. 1991)
- Clukey v. Piscataquis County Sheriff's Dep't, 1997 ME 124, ¶¶ 9-11, 696 A.2d 428, 431
- Johnson v. Shaw's Distribution Ctr., 2000 ME 191, ¶¶ 14, 17, 760 A.2d 1057, 1061
- Ashby v. Rust Eng'g Co., 559 A.2d 774, 775 (Me. 1989)
- McAdam v. United Parcel Serv., 2000 ME 5, ¶¶ 6-7, 743 A.2d 741, 743-44

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