

SUPREME COURT OF MICHIGAN

Stozicki v. Allied Paper Co., Inc., 464 Mich. 257

627 N.W.2d 293 (2001) · No. 117242 · Decided June 12, 2001

SUMMARY

The Supreme Court of Michigan held that Michigan's workers' compensation statutes prohibit simultaneous application of the age-65 reduction under MCL 418.357 and benefit coordination under MCL 418.354, but do not make an employer's initial choice between those provisions irrevocable. The court reversed the Workers' Compensation Appellate Commission and remanded for further proceedings.

CASE DETAILS

COURT	Supreme Court of Michigan
WRITING FOR THE COURT	Per Curiam; Corrigan, C.J.; Michael F. Cavanagh, J.; Weaver, J.; Taylor, J.; Young, J.; Markman, J.; Kelly, J.
JURISDICTION	Michigan
DECIDED	June 12, 2001
DOCKET	117242
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Defendants appealed a decision of the Michigan Workers' Compensation Appellate Commission affirming a magistrate's determination that an employer could not coordinate workers' compensation benefits under section 354 after having applied the age-65 reduction under section 357. The Court of Appeals denied leave to appeal, and the Michigan Supreme Court granted review.
STANDARD OF REVIEW	Statutory interpretation is reviewed de novo.
PRECEDENTIAL VALUE	Published Michigan Supreme Court opinion; precedential.
PARTIES	Allied Paper Company, Inc., Travelers Insurance Company v. Charles L. Stozicki

TOPICS

- workers compensation
- statutory interpretation
- plain meaning rule
- legislative intent

PRACTICE AREAS

workers compensation

statutory interpretation

employment law

QUESTIONS PRESENTED

1. Whether section 357(2) of the Michigan Workers' Disability Compensation Act prohibits an employer from switching from the age-65 reduction under section 357 to coordination of benefits under section 354 after the section 357 reduction has been applied.
2. Whether the employer's initial choice between section 354 coordination and section 357 reduction is irrevocable.

HOLDINGS

1. Section 357(2) prohibits an employer from simultaneously applying the section 357 age reduction and coordinating benefits under section 354, but it does not prohibit the employer from switching from one statutory reduction method to the other.
2. Saraski improperly interpreted section 357(2) by reading an irrevocable-election requirement into the statute.

KEY QUOTATIONS

“The plain meaning of that statute is that an employer may not simultaneously take advantage of coordination under § 354 and the age reduction under § 357.” (263)

“If the Legislature had meant to make an employer's initial decision to use a particular benefit reduction provision irrevocable, it could have used language to that effect.” (263)

FACTUAL BACKGROUND

Charles L. Stozicki worked for Allied Paper from 1953 to 1988 and suffered a work-related injury on January 15, 1988. After he reached age sixty-five on July 18, 1995, he began receiving Social Security old-age benefits and an employer-provided pension. Allied Paper applied the five-percent-per-year age reduction under section 357 from February 18 to March 18, 1997, then stopped that reduction and coordinated his workers' compensation benefits with his Social Security and pension payments under section 354.

PROCEDURAL HISTORY

The parties entered into a voluntary payment agreement after Stozicki suffered a work-related injury. After Stozicki turned sixty-five, Allied Paper first applied the section 357 age reduction and then switched to coordination under section 354 based on Social Security and pension payments. A magistrate ruled, relying on Saraski, that the employer was prohibited from making the switch; the WCAC affirmed, the Court of Appeals denied leave, and the Supreme Court reversed and remanded.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The case was remanded to the Workers' Compensation Appellate Commission for any further proceedings necessary.

CASES CITED

- Saraski v. Dexter Davison Kosher Meat & Poultry, 206 Mich. App. 347, 520 N.W.2d 383 (1994)
- Krueger v. Simplicity Pattern Co., 196 Mich. App. 212, 492 N.W.2d 790 (1992), vacated, 442 Mich. 912, 503 N.W.2d 448 (1993)
- Franks v. White Pine Copper Division, 422 Mich. 636, 375 N.W.2d 715 (1985)
- Brown v. Michigan Health Care Corp., 463 Mich. 368, 374, 617 N.W.2d 301 (2000)
- Sands Appliance Services, Inc. v. Wilson, 463 Mich. 231, 238, 615 N.W.2d 241 (2000)
- In re MCI Telecommunications Complaint, 460 Mich. 396, 411, 596 N.W.2d 164 (1999)
- Northern Concrete Pipe, Inc. v. Sinacola Companies-Midwest, Inc., 461 Mich. 316, 320, 603 N.W.2d 257 (1999)
- Hatch v. Grand Haven Charter Township, 461 Mich. 457, 464, 606 N.W.2d 633 (2000)
- Donajkowski v. Alpena Power Co., 460 Mich. 243, 261, 596 N.W.2d 574 (1999)