

SUPREME COURT OF KENTUCKY

Southeast Coal Co. v. Mansfield

231 S.W.3d 122 (Ky. 2007) · No. 2006-SC-000678-WC · Decided August 23, 2007

SUMMARY

The Supreme Court of Kentucky held that an Administrative Law Judge lacked jurisdiction to resolve a claimant's request to suspend deductions from workers' compensation benefits arising from an alleged post-award overpayment. The court concluded that KRS 342.305 designates the appropriate circuit court as the sole forum for enforcing the terms of a final workers' compensation award, and affirmed the Court of Appeals.

CASE DETAILS

COURT	Supreme Court of Kentucky
WRITING FOR THE COURT	Lambert, C.J.; Cunningham, J.; Minton, J.; Noble, J.; Schroder, J.; Scott, J.
JURISDICTION	Kentucky
DECIDED	August 23, 2007
DOCKET	2006-SC-000678-WC
DISPOSITION	affirmed
PROCEDURAL POSTURE	The employer appealed the Court of Appeals' affirmance of an Administrative Law Judge's order denying the claimant's motion to suspend deductions from her weekly workers' compensation benefits. The Supreme Court of Kentucky affirmed, but on jurisdictional grounds different from those emphasized by the Court of Appeals.
STANDARD OF REVIEW	The opinion analyzes the scope of subject matter jurisdiction as a question of statutory authority; no separate standard-of-review formulation is stated.
PRECEDENTIAL VALUE	Published Kentucky Supreme Court opinion; precedential
PARTIES	Southeast Coal Company v. Peggy Lou Mansfield, Hon. J. Landon Overfield, Administrative Law Judge, Workers' Compensation Board

TOPICS

workers compensation

administrative law

judicial review of agency action

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PRACTICE AREAS

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QUESTIONS PRESENTED

1. Whether the Administrative Law Judge had subject matter jurisdiction to decide Mansfield's motion seeking to prevent deductions from and enforce the terms of a final workers' compensation award.
2. Whether KRS 342.125 authorized reopening or modification of Mansfield's final award based on mistake.
3. Whether KRS 342.305 designates circuit court as the sole forum for enforcing the terms of a final workers' compensation award.

HOLDINGS

1. The ALJ lacked jurisdiction because Mansfield sought enforcement of the existing award, not clarification, reopening, or modification of the award under Chapter 342.
2. KRS 342.125 did not provide a basis for the requested relief because Mansfield's award was neither erroneous nor the product of a mistake, and in any event the statutory period for reopening the pre-December 12, 1996 award had expired.
3. The Estill Circuit Court, as the circuit court of the county where the injury occurred, was the sole forum for enforcing the terms of Mansfield's final workers' compensation award.

KEY QUOTATIONS

“The opinion and award of December 20, 1989, is final and enforceable as a judgment.” (124)

“Under KRS 342.305, the sole forum for enforcing its terms is the Estill Circuit Court, the circuit court of the county in which the injury occurred.” (124)

FACTUAL BACKGROUND

Mansfield received a final total-disability workers' compensation award entered on December 20, 1989, requiring weekly payments of \$304.80. Southeast Coal mistakenly paid \$340.85 per week for nearly fourteen years and later sought to recoup the resulting overpayment by reducing future weekly benefits. Mansfield moved before the Office of Workers' Claims to suspend the deductions and require reimbursement, while Southeast Coal argued that the overpayment could be offset against future benefits.

PROCEDURAL HISTORY

The ALJ denied Mansfield's motion and allowed Southeast Coal to continue reducing her weekly benefits to recoup an overpayment. The Workers' Compensation Board set aside the ALJ's decision, concluding that the ALJ lacked jurisdiction under KRS 342.125 and that circuit court was the sole forum for enforcing the award, while also finding the decision erroneous under *Triangle Insulation and Sheet Metal Co. v. Stratemeyer*. The Court of Appeals affirmed under *Stratemeyer* without deciding whether the ALJ exceeded its authority. The Supreme Court affirmed on the jurisdictional and enforcement grounds identified by the Board.

DISPOSITION

affirmed

CASES CITED

- Triangle Insulation and Sheet Metal Company v. Stratemeyer, 782 S.W.2d 628 (Ky. 1990)
- Custard Insurance Adjusters, Inc. v. Aldridge, 57 S.W.3d 284, 287 (Ky. 2001)
- Brooks v. University of Louisville Hospital, 33 S.W.3d 526 (Ky. 2000)
- Meade v. Reedy Coal Co., 13 S.W.3d 619 (Ky. 2000)
- Palmore v. Swiney, 807 S.W.2d 950 (Ky. App. 1990)
- Pierce v. Russell Sportswear Corp., 586 S.W.2d 301 (Ky. App. 1979)

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