

SUPREME COURT OF NORTH DAKOTA

Rojas v. Workforce Safety and Insurance

703 N.W.2d 299 (N.D. 2005) · No. No. 20040352 · Decided July 28, 2005

SUMMARY

The Supreme Court of North Dakota held that Workforce Safety and Insurance violated Mark Rojas's due process rights by terminating his ongoing disability benefits without effective notice or an opportunity to respond. Because the termination was invalid, the reapplication statute did not apply, and Rojas was entitled to reinstatement of benefits from May 31, 2000, prospectively until proper notice was provided. The court modified the district court judgment and affirmed it as modified.

CASE DETAILS

COURT	Supreme Court of North Dakota
WRITING FOR THE COURT	Maring, Justice; Gerald W. Vande Walle, C.J.; James M. Bekken, D.J.; Carol Ronning Kapsner, J.
JURISDICTION	North Dakota
DECIDED	July 28, 2005
DOCKET	No. 20040352
DISPOSITION	affirmed
PROCEDURAL POSTURE	Workforce Safety and Insurance appealed the district court's judgment reversing WSI's final order denying Rojas's reapplication for disability benefits and remanding for entry of an order allowing further benefits.
STANDARD OF REVIEW	On appeal from a district court's decision in an administrative appeal, the Supreme Court reviews the agency order in the same manner as the district court under N.D.C.C. § 28-32-46. The court reviews whether the agency order accords with law, complies with constitutional and statutory requirements, affords a fair hearing, is supported by a preponderance of the evidence, and sufficiently addresses evidence and explains its rationale.
PRECEDENTIAL VALUE	Published North Dakota Supreme Court opinion; precedential
PARTIES	Workforce Safety and Insurance v. Mark Rojas

TOPICS

judicial review of agency action

administrative law

procedural due process

appellate procedure

PRACTICE AREAS

administrative law

workers compensation

constitutional law

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QUESTIONS PRESENTED

1. Whether termination of Rojas's ongoing disability benefits without his receipt of notice and an opportunity to respond violated procedural due process.
2. Whether WSI could require Rojas to proceed under the reapplication statute after the original termination was invalid for lack of constitutionally adequate notice.
3. What remedy was required for WSI's due process violation.

HOLDINGS

1. WSI's termination of Rojas's ongoing disability benefits violated due process because Rojas did not receive prior notice of the contemplated termination or a meaningful opportunity to respond.
2. The reapplication statute was inapplicable because it applies only when a claimant's prior disability benefits have been validly terminated; the defective termination was nullified by the due process violation.
3. Rojas was entitled to reinstatement of all disability benefits retroactive to May 31, 2000, and prospectively until WSI provides proper notice of its intention to discontinue or reduce benefits.

KEY QUOTATIONS

“Before WSI terminates ongoing disability benefits, it must provide notice of the contemplated action and a meaningful pretermination opportunity to respond” (703 N.W.2d at 302)

“We conclude WSI's termination of Rojas's ongoing disability benefits when he had not received any prior notice or opportunity to respond violated due process.” (703 N.W.2d at 304)

“The reapplication statute is only applicable, however, if the claimant's prior benefits have been validly terminated.” (703 N.W.2d at 304)

FACTUAL BACKGROUND

Rojas, an over-the-road truck driver, injured his left knee in January 2000, and WSI accepted his workers compensation claim and paid medical and disability benefits. WSI alleged that it mailed a notice terminating benefits effective May 31, 2000, but both the ALJ and WSI found that Rojas never received the notice. WSI refused to review the original termination and required Rojas to reapply under a statute requiring proof of a significant medical change and actual wage loss. The ALJ found that Rojas met those reapplication requirements, but WSI rejected those findings and denied further benefits.

PROCEDURAL HISTORY

WSI terminated Rojas's ongoing disability benefits after allegedly mailing a notice of intention to discontinue or reduce benefits. Rojas denied receiving the notice, later filed a reapplication, and WSI denied it under the reapplication statute. After an administrative hearing, WSI rejected portions of the ALJ's recommended decision and denied further benefits. The district court reversed WSI's order and directed reinstatement of the ALJ's recommendation; the North Dakota Supreme Court modified the judgment to require reinstatement of benefits from the original termination date and affirmed as modified.

DISPOSITION

affirmed

REMAND INSTRUCTIONS

The judgment was modified to direct WSI to enter an order reinstating Rojas's disability benefits from May 31, 2000, and prospectively until WSI provides proper notice of its intention to discontinue or reduce benefits. The judgment was affirmed as modified.

CASES CITED

- Ringsaker v. Workforce Safety & Insurance Fund, 2005 ND 44, 693 N.W.2d 14
- Sjostrand v. North Dakota Workers Compensation Bureau, 2002 ND 125, 649 N.W.2d 537
- Jacobson v. North Dakota Workers Compensation Bureau, 2000 ND 225, 621 N.W.2d 141
- Beckler v. North Dakota Workers Compensation Bureau, 418 N.W.2d 770 (N.D. 1988)
- Goldberg v. Kelly, 397 U.S. 254 (1970)
- Mathews v. Eldridge, 424 U.S. 319 (1976)
- Stewart v. North Dakota Workers Compensation Bureau, 1999 ND 174, 599 N.W.2d 280
- State v. Egan, 1999 ND 59, 591 N.W.2d 150
- In re Estates of Gustafson, 381 N.W.2d 208 (N.D. 1986)
- State v. Tininenko, 371 N.W.2d 762 (N.D. 1985)
- State v. Knittel, 308 N.W.2d 379 (N.D. 1981)
- Greene v. Lindsey, 456 U.S. 444 (1982)
- Vernon v. North Dakota Workers Compensation Bureau, 1999 ND 153, 598 N.W.2d 139
- Flink v. North Dakota Workers Compensation Bureau, 1998 ND 11, 574 N.W.2d 784
- Bjerke v. North Dakota Workers Compensation Bureau, 1999 ND 180, 599 N.W.2d 329
- Miller v. Workforce Safety & Insurance, 2004 ND 155, 684 N.W.2d 641