

SUPREME COURT OF WYOMING

Appleby v. State of Wyoming ex rel. Wyoming Workers' Safety and Compensation Division

Appleby v. State ex rel. Wyo. Workers' Safety & Comp. Div., 47 P.3d 613 (Wyo. 2002) · No. No. 00-273 ·
Decided June 5, 2002

SUMMARY

The Wyoming Supreme Court held that the Workers' Safety and Compensation Division's Internal Hearing Unit lacked subject-matter jurisdiction to decide equitable estoppel, a substantive legal issue. The court concluded that the claimant's reliance on misleading agency communications was reasonable and that equitable estoppel could apply despite the untimely hearing request. The court reversed and remanded for a contested case hearing before the appropriate hearing authority.

CASE DETAILS

COURT	Supreme Court of Wyoming
WRITING FOR THE COURT	Golden, Justice; Lehman, C.J.; Golden, J.; Hill, J.; Kite, J.
JURISDICTION	Wyoming
DECIDED	June 5, 2002
DOCKET	No. 00-273
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Appleby sought review of an agency decision denying her a contested-case hearing as untimely. The Seventh Judicial District Court affirmed the agency order, and the Wyoming Supreme Court reviewed that judgment and the underlying agency decision.
STANDARD OF REVIEW	The Supreme Court reviews the agency order directly rather than deferring to the district court. Interpretation and application of the Wyoming Workers' Compensation Act are reviewed de novo as questions of law, and agency legal conclusions are affirmed only if in accordance with law.
PRECEDENTIAL VALUE	Published Wyoming Supreme Court opinion; precedential
PARTIES	Irene Aaker Appleby v. State of Wyoming ex rel. Wyoming Workers' Safety and Compensation Division

TOPICS

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PRACTICE AREAS

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QUESTIONS PRESENTED

1. Whether the Internal Hearing Unit had subject-matter jurisdiction to decide whether equitable estoppel prevented the Division from denying a contested-case hearing as untimely.
2. Whether equitable estoppel could apply against the Division based on its representative's misleading statements and the Division's erroneous final determination.
3. Whether the Division's statutory amendment eliminating liberal construction of workers' compensation laws eliminated equitable estoppel as a substantive defense.
4. Whether the district court erred by affirming the Director's denial of a contested-case hearing.

HOLDINGS

1. The Internal Hearing Unit has jurisdiction to review the procedural question whether a hearing request was timely, but it lacks subject-matter jurisdiction to decide equitable estoppel because equitable estoppel is a substantive legal doctrine that must be determined in a contested-case proceeding.
2. Equitable estoppel may be invoked against the Division when an employee reasonably relies to her detriment on a misleading statement by a government representative, including to prevent strict application of workers' compensation filing requirements.
3. The statutory amendment eliminating liberal construction of the Workers' Compensation Act did not eliminate equitable estoppel or other substantive rules that prevent inequitable application of the Act.
4. The Division was equitably estopped from asserting that Appleby's request for a hearing was untimely, and Appleby was entitled to a contested-case hearing on the denial of benefits.

KEY QUOTATIONS

“The IHU does not have subject matter jurisdiction to determine rights under the substantive legal doctrine of equitable estoppel.” (619)

“We, therefore, conclude that the emphasized statutory language applies to the elimination of causes of action arising under tort law, and does not apply to those rules of substantive law that are applicable to avoid inequity in application of the Act.” (622)

“We have decided that the Division is equitably estopped from claiming that Appleby's request for hearing was untimely.” (623)

FACTUAL BACKGROUND

Appleby, a Safeway checker, developed aching wrists and arms after twenty-five years of work and filed an injury report before undergoing surgery. The Division denied benefits, stating that the claim was untimely and that the condition was preexisting or related to natural aging, and advised that a hearing request had to be filed by May 14, 1999. After Appleby's husband called the claims analyst, Appleby did not request a hearing by the deadline because she was allegedly told that doing so would be futile. She later requested a hearing, and the hearing examiner found that the claims analyst's misleading statement supported equitable estoppel.

PROCEDURAL HISTORY

The Division denied Appleby's workers' compensation benefits and advised that a hearing request was due by May 14, 1999. After Appleby filed a request on September 8, 1999, the Division treated it as untimely. An Internal Hearing Unit hearing examiner recommended a contested-case hearing based on equitable estoppel, but the Interim Director rejected that recommendation and denied a hearing. The Seventh Judicial District Court affirmed, and the Wyoming Supreme Court reversed and remanded for a contested-case hearing.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The district court's order affirming the Director's denial of a contested-case hearing is reversed. The case is remanded for a contested-case hearing before the appropriate hearing authority, either the Office of Administrative Hearings or the Medical Commission, as required by statute.

CASES CITED

- Howton v. State ex rel. Wyoming Workers' Compensation Division, 899 P.2d 869, 870 (Wyo. 1995)
- Wyoming Workers' Compensation Division v. Summers, 987 P.2d 153, 156-57 (Wyo. 1999)
- Wright v. State ex rel. Wyoming Workers' Safety and Compensation Division, 952 P.2d 209, 211 (Wyo. 1998)
- Wyoming Department of Transportation v. Haglund, 982 P.2d 699, 701 (Wyo. 1999)
- Sheneman v. Division of Workers' Safety and Compensation, 956 P.2d 344, 346-51 (Wyo. 1998)
- Jackson v. State ex rel. Wyoming Workers' Compensation Division, 786 P.2d 874, 878 (Wyo. 1990)
- B & W Glass v. Weather Shield Manufacturing, 829 P.2d 809, 813 (Wyo. 1992)
- Blais v. Allied Exterminating Co., 198 W. Va. 674, 482 S.E.2d 659, 662 (1996)
- Bauer v. State ex rel. Wyoming Workers' Compensation Division, 695 P.2d 1048, 1050-53 (Wyo. 1985)
- State ex rel. Wyoming Workers' Compensation Division v. Barker, 978 P.2d 1156, 1159-61 (Wyo. 1999)
- Wyoming Workers' Compensation Division v. Rivera, 796 P.2d 447, 450-51 (Wyo. 1990)
- Mills v. Reynolds, 807 P.2d 383, 389 (Wyo. 1991)
- Anderson v. Solvay Minerals, Inc., 3 P.3d 236, 240 (Wyo. 2000)
- State ex rel. Wyoming Workers' Safety and Compensation Division v. Sparks, 973 P.2d 507, 510 (Wyo. 1999)
- Casper Oil Co. v. Evenson, 888 P.2d 221, 227 (Wyo. 1995)

- Big Piney Oil & Gas Co. v. Wyoming Oil & Gas Conservation Commission, 715 P.2d 557, 560 (Wyo. 1986)
- Wyoming Workers' Compensation Division v. Halstead, 795 P.2d 760, 775 (Wyo. 1990) (Rooney, J., concurring in part and dissenting in part)
- Parker Land and Cattle Co. v. Wyoming Game & Fish Commission, 845 P.2d 1040, 1081 (Wyo. 1993)
- Tenorio v. State ex rel. Wyoming Workers' Compensation Division, 931 P.2d 234, 238 (Wyo. 1997)
- State, Department of Family Services v. PAJ, 934 P.2d 1257, 1260 (Wyo. 1997)

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