ALASKA WORKERS' COMPENSATION BOARD



P.O. Box 115512

Juneau, Alaska 99811-5512

DAREL M. WILLIAMS,)
Employee Respo v.) e,) ondent,) INTERLOCUTORY) DECISION AND ORDER) ON RECONSIDERATION
FLOWLINE ALASKA, INC.,) AWCB Case No. 201410923
Employer and	AWCB Decision No. 16-0025) Filed with AWCB Fairbanks, Alaska
LIBERTY NORTHWEST INSURAL CORP.,	,
Insurer, Petitio) oners.)

On March 2, 2016, *Williams v. Flowline Alaska, Inc.*, AWCB Case No. 16-0016 (March 2, 2016) (*Williams I*) Darel Williams' (Employee) January 12, 2016 petition to continue the February 4, 2016 hearing was granted. On March 11, 2016, Flowline Alaska, Inc., and Liberty Northwest Insurance Corp. (Employer) timely petitioned for reconsideration of *Williams I*. On March 25, 2016, the matter was heard in Fairbanks, Alaska on the written record. Attorney Jason Weiner represented Employee and attorney Martha Tansik represented Employer. The hearing proceeded with a two-member panel, a quorum under AS 23.30.005(f). There were no witnesses. The record closed when the panel met to deliberate on March 25, 2016.

ISSUE

Petitioner contends the description of Sylvia McCormick, PA-C's opinion included in findings 19 and 21 should be excluded from *Williams I* because Employee has not fulfilled Employer's request for cross examination of the opinion's author and, therefore, inclusion of the opinion's description in *Williams I*'s findings violates Employer's right to cross-examination. Employer contends no findings can be made on the document containing PA-C McCormick's opinion until Employer's request has been fulfilled. Employer contends reconsideration should be granted, and findings 19 and 21 should not be included in the decision.

Employee has not responded to Employer's petition for reconsideration.

Should petitioner's March 11, 2016 petition for reconsideration be granted?

FINDINGS OF FACT

A review of the record establishes the following relevant facts and factual conclusions by a preponderance of the evidence:

- 1) On January 22, 2016, Employee filed notice of filing evidence for hearing. Included in the filings was PA-C McCormick's January 18, 2016 opinion letter. (Notice of Filing Evidence for Hearing, January 22, 2016.)
- 2) On February 1, 2016, Employer filed a request for cross-examination of PA-C McCormick's January 18, 2016 opinion. Employer requested cross-examination to ascertain the basis and rationale of PA-C McCormick's opinions. (Request for Cross-examination, February 1, 2016.)
- 3) On February 1, 2016, Employer filed a partial objection to hearing evidence. Employer objected to PA-C McCormick's January 18, 2016 letter being included as hearing evidence. Employer asserted that because the document cannot be admitted under a hearsay exception, it must be excluded from consideration unless Employee provides Employer an opportunity to cross-examine PA-C McCormick at hearing. Employer contended because PA-C McCormick's letter was filed less than 20 days before hearing it cannot be relied upon unless the right to cross-examination was expressly waived or the report is admissible under an Alaska Rules of Evidence hearsay exception. Employer asserts the letter from PA-C McCormick should have been filed on a medical summary and was not and that Employee attempted to place it in the record under the

guise of hearing evidence obtained less than 20 days before the hearing. (Employer's Partial Objection to Hearing Evidence, February 1, 2016.)

- 4) Employer does not waive its right to cross-examination. (*Id.*)
- 5) On February 1, 2016, Employer opposed Employee's petition for a second independent medical evaluation (SIME). Employer asserted the two medical records Employee cited did not set forth a dispute between Employee's treating physician and Employer's medical evaluation physician. Employer asserted Employee's physician Dr. Kowal never provided an opinion regarding causation and PA-C McCormick never opined a work activity caused either Employee's indirect hernia or the need for treatment. (Employer's Opposition to Petition for SIME, February 1, 2016.)
- 6) PA-C McCormick's January 18, 2016 opinion letter was prepared in response to a January 6, 2016 letter from Employee's attorney. (Addendum, Letter Response: Gazewood & Weiner 01/06/16, January 18, 2016.)
- 7) PA-C McCormick's January 18, 2016 opinion letter was not filed on a medical summary. (Record.)
- 8) On March 2, 2016, Williams I granted Employee's petition for a continuance. (Williams I.)
- 9) The Williams I findings of fact are adopted by reference here. (Williams I.)
- 10) Williams I finding 19 states:

On January 18, 2016, Sylvia McCormick, PA-C, reviewed Employee's medical chart and summarized it as follows:

01/29/14: Mr. Williams reported left testicular pain present for six weeks without recollection of trauma. Physical exam was normal at that time. Patient was asymptomatic on that day.

02/10/14: Mr. Williams reported intermittent pain in the left testicle, again no recollection of injury or trauma was reported at that time.

02/25/14: A scrotal ultrasound was remarkable for a left sided inguinal hernia.

04/23/14: Patient reported progressive left testicular pain without known trauma except for exacerbation of symptoms was strenuous lifting at work.

05/20/14: Patient underwent left inguinal hernia repair by Dr. Kowal.

PA-C McCormick stated she was uncertain if Employee reported his left testicular pain to his Employer in January when his symptoms first began, and without an injury report, it was difficult for her to correlate the symptoms' onset to work related activities. PA-C McCormick was uncertain if Dr. Kowal linked Employee's left inguinal hernia to his work duties. She was unable to determine whether the left inguinal hernia was directly caused by Employee's work activities, but stated his symptoms were definitely exacerbated by heavy lifting while at work "as reported on office evaluation of 04/23/14." (Addendum, Letter Response: Gazewood & Weiner 01/06/16, January 18, 2016.)

11) Williams I finding 21 states:

On January 27, 2016, Employee filed a petition for an SIME. Employee described a medical dispute between Dr. Blumberg, who opined Employee's hernia was not work related, and Employee's treating physician, PA-C McCormick, who stated Employee was engaging in strenuous activity that could have caused his hernia to be symptomatic. (Petition, January 27, 2016.)

12) On March 11, 2016, Petitioner timely filed its petition for reconsideration of *Williams I* and memorandum in support. (Petition for Reconsideration, March 11, 2016; Memorandum in Support of Petition for Reconsideration, March 11, 2016.)

PRINCIPLES OF LAW

AS 44.62.540. Reconsideration. (a) The agency may order a reconsideration of all or part of the case on its own motion or on petition of a party. To be considered by the agency, a petition for reconsideration must be filed with the agency within 15 days after delivery or mailing of the decision. The power to order reconsideration expires 30 days after the delivery or mailing of a decision to the respondent. If no action is taken on a petition within the time allowed for ordering reconsideration, the petition is considered denied.

(b) The case may be reconsidered by the agency on all the pertinent parts of the record and the additional evidence and argument that are permitted. . . .

"The appropriate recourse for allegations of legal error is a direct appeal or petition to the board for reconsideration of the decision within the time limits set by AS 44.62.540(a)." *George Easley Co. v. Estate of Lindekugel*, 117 P.3d 734, 743 (Alaska 2005). A petition for reconsideration has a 15 day time limit for the request, and power to reconsider "expires thirty days after the decision has been mailed . . . and if the board takes no action on a petition, it is considered denied." *Id.* at 743 n. 36. Due consideration must be given to any argument or evidence presented with a petition for reconsideration, but the board is not required to give

conclusive weight to new evidence and has power to consider the new evidence against the backdrop of evidence presented at prior hearings. *Whaley v. Alaska Workers' Compensation Board*, 648 P.2d 955, 957 (July 30, 1982).

- **8 AAC 45.052. Medical summary.** (a) A medical summary on form 07-6103, listing each medical report in the claimant's or petitioner's possession which is or may be relevant to the claim of petition, must be filed with a claim or petition. The claimant or petitioner shall serve a copy of the summary form, along with copies of the medical reports, upon all parties to the case and shall file the original summary form with the board.
- (b) The party receiving a medical summary and claim or petition shall file with the board an amended summary on form 07-6103 within the time allowed under AS 23.30.095(h), listing all reports in the party's possession which are or may be relevant to the claim and which are not listed on the claimant's or petitioner's medical summary form. In addition, the party shall serve the amended medical summary form, together with copies of the reports, upon all parties.
- (c) Except as provided in (f) of this section, a party filing an affidavit of readiness for hearing must attach an updated medical summary, on form 07-6103, if any new medical reports have been obtained since the last medical summary was filed.
 - (1) If the party filing an affidavit of readiness for hearing wants the opportunity to cross-examine the author of a medical report listed on the medical summaries that have been filed, the party must file with the board, and serve upon all parties, a request for cross-examination, together with the affidavit of readiness for hearing and an updated medical summary and copies of the medical reports listed on the medical summary, if required under this section.
 - (2) If a party served with an affidavit of readiness for hearing wants the opportunity to cross-examine the author of a medical report listed on the medical summaries filed as of the date of service of the affidavit of readiness for hearing, a request for cross-examination must be filed with the board, and served upon all parties, within 10 days after service of the affidavit of readiness for hearing.
 - (3) After an affidavit of readiness for hearing has been filed, and until the claim is heard or otherwise resolved,
 - (A) all updated medical summaries must be accompanied by a request for cross-examination if the party filing the updated medical summary wants the opportunity to cross-examine the author of a medical report listed on the updated medical summary; and

- (B) if a party served with an updated medical summary and copies of the medical reports listed on the medical summary wants the opportunity to cross-examine the author of the medical report listed on the updated medical summary, a request for cross-examination must be filed with the board and served upon all parties within 10 days after service of the updated medical summary.
- (4) If an updated medical summary is filed and served less than 20 days before a hearing, the board will rely upon a medical report listed in the updated medical summary only if the parties expressly waive the right to cross-examination, or if the board determines that the medical report listed on the updated summary is admissible under a hearsay exception of the Alaska Rules of Evidence.
- (5) A request for cross-examination must specifically identify the document by date and author, generally describe the type of document, state the name of the person to be cross-examined, state a specific reason why cross-examination is requested, be timely filed under (2) of this subsection, and be served upon all parties.
 - (A) If a request for cross-examination is not in accordance with this section, the party waives the right to request cross-examination regarding a medical report listed on the updated medical summary.
 - (B) If a party waived the right to request cross-examination of an author of a medical report listed on a medical summary that was filed in accordance with this section, at the hearing the party may present as the party's witness the testimony of the author of a medical report listed on a medical summary filed under this section.
- (d) After a claim or petition is filed, all parties must file with the board an updated medical summary form within five days after getting an additional medical report. A copy of the medical summary form, together with copies of the medical reports listed on the form, must be served upon all parties at the time the medical summary is filed with the board. . . .

"Letters written by a physician to a party or party representative to express an expert medical opinion on an issue before the Board are not admissible as business records unless the requisite foundation is established." *Bass v. Veterinary Specialists of Alaska*, AWCB Decision No. 08-0093 (May 16, 2008). A party has an absolute statutory right to cross-examine the authors of a medical record, if the right is not waived. *Commercial Union Companies v. Smallwood*, 550 P.2d 1261 (Alaska 1976).

In *Geister v. Kid's Corps, Inc.*, AWCAC Decision No. 45 (June 6, 2007), Geister challenged the exclusion of Dr. Dramov's opinions and the denial of her SIME request. Dr. Dramov's opinions were excluded as hearsay because Geister did not provide the employer an opportunity to cross-examine Dr. Dramov. The commission concluded:

While the Court's decisions in *Dobos v. Ingersoll*, 9 P.3d 1020 (Alaska 2000), and *Loncar v. Gray*, 28 P.3d 928 (Alaska 2001), hold "medical records kept by hospitals and doctors" are business records [a hearsay exception], this holding is qualified by *Liimatta v. Vest*, 45 P.2d 310 (Alaska 2002), and *Municipality of Anchorage v. Devon*, 124 P.3d 424 (Alaska 2005); letters written by a physician to a party or party representative to express an expert medical opinion on an issue before the tribunal are not admissible as business records unless the requisite foundation is established. The letters were written to the patient's attorney and to the workers' compensation insurer to express opinions on the core issue before the board. We conclude the board did not abuse its discretion in excluding Dr. Dramov's letters.

Id. at 16-17 (full citations to cases added). The commission remanded the SIME denial noting Dr. Dramov's opinions should have been considered in determining if a significant medical dispute existed. The commission further noted Dr. Dramov's opinions were not hearsay because they were not offered to persuade the board "of the truth of their substance; the opinions are offered solely to establish a difference of medical or scientific expert opinion exists." *Id.* at 9.

In *Dobos v. Ingersoll*, plaintiff Ingersoll was struck by a taxi driven by Dobos. Ingersoll requested Dobos concede Kodiak Island Hospital and North Pacific Medical Center medical records' admission. Dobos denied the request asserting the records were hearsay and inadmissible. 9 P.3d at 1025. Ingersoll called physicians to testify and lay a foundation for the medical records admission, and the records were admitted without objection. *Id.* After prevailing at trial, Ingersoll sought attorney fees under Alaska Rule of Civil Procedure 37(c)(2) because Dobos failed to admit the records' genuineness when requested under Civil Rule 36. The trial court refused the request, and Ingersoll cross-appealed. The Supreme Court found the trial court abused its discretion and stated, "medical records, including doctors' chart notes, opinions, and diagnoses, fall squarely within the business records exception to the hearsay rule." *Id.* If there was any doubt regarding admissibility of medical records under Alaska Evidence Rule 803(6), the Court stated, "the commentary to this provision definitively resolves the

question. Noting that entries in the form of opinions are 'commonly encountered with respect to medical diagnoses, prognoses, and test results,' the commentary states . . . 'the rule specifically includes both diagnoses and opinions as . . . proper subjects of admissible entries.'" *Id.* at 1027. Dobos admitted he did not question the hospital records' genuineness, but denied Ingersoll's request so Ingersoll would put the physicians on the stand, giving Dobos an opportunity to cross-examine them about their "medical conclusions." *Id.* at 1028. The Supreme Court held the desire for Ingersoll to put the physicians on the stand so Dobos could cross-examine them was not a reason to deny the records were admissible because Dobos himself could have called the doctors to testify. *Id.*

In *Loncar v. Gray*, the Alaska Supreme Court reiterated is holding in *Dobos v. Ingersoll*. Loncar was injured in a traffic accident. She claimed on appeal she was prejudiced by the admission of all medical records created and relied upon by physicians who testified. She contended the medical records' admission was prejudicial because she did not have an opportunity to cross-examine all the physicians. Again, as in *Dobos*, the Court stated if Loncar wished to cross-examine the physicians, she could have called them to the stand herself. 28 P.3d at 935 (quoting *Dobos v. Ingersoll*, 9 P.3d at 1028).

Contrary to *Dobos*, in *Liimatta v. Vest*, the Alaska Supreme Court upheld the trial court's exclusion of a letter written by Kim Smith, M.D., to the Social Security Determination Unit because Dr. Smith did not testify about the letter. 28 P.3d at 318. The Court found the letter was not a medical record and because Liimatta did not establish it was Dr. Smith's regular practice to prepare and send such evaluation reports, the letter was not a business record admissible under Alaska Evidence Rule 803(6). *Id*.

After its business records exceptions to the hearsay rule decisions in *Dobos, Loncar*, and *Liimatta*, the Alaska Supreme Court addressed whether *Smallwood* continued to apply to workers' compensation cases in *Municipality of Anchorage v. Devon*. Under *Smallwood*, the Municipality contended it was entitled to cross-examine the physician who authored medical reports and because its request was not granted, the reports were inadmissible. Despite noting, "In Smallwood we held that parties have a right to cross-examine authors of reports submitted

for review by the board," the Court held the Municipality did not establish the board abused its discretion. 124 P.3d at 432, n. 26. In *Devon*, the Municipality had not objected to introduction of two physicians' reports, nor had it requested an opportunity to cross-examine a third physician. The Court stated, "Devon did not have the opportunity to establish the requisite foundation. Further, even assuming for the sake of argument that the board erred in admitting the reports, the municipality bears the burden of showing that it was prejudiced by the board's admission of these reports." *Id.* at 432. The admission of cumulative medical records was harmless error absent a showing of prejudice.

- (c) Each party has the following rights at hearing:
 - (1) to call and examine witnesses;
 - (2) to introduce exhibits;
 - (3) to cross-examine opposing witnesses on any matter relevant to the issues even though the matter was not covered in the direct examination;
 - (4) to impeach any witness regardless of which party first called the witness to testify; and;
 - (5) to rebut contrary evidence.

. . .

(e) Technical rules relating to evidence and witnesses do not apply in board proceedings, except as provided in this chapter. Any relevant evidence is admissible if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions. Hearsay evidence may be used for the purpose of supplementing or explaining any direct evidence, but it is not sufficient in itself to support a finding of fact unless it would be admissible over objection in civil actions. . . .

- (f) Any document . . . that is served upon the parties, accompanied by proof of service, and that is in the board's possession 20 or more days before hearing, will, in the board's discretion, be relied upon by the board in reaching a decision unless a written request for an opportunity to cross-examine the document's author is filed with the board and served upon all parties at least 10 days before the hearing. The right to request cross-examination specified in this subsection does not apply to medical reports filed in accordance with 8 AAC 45.052; a cross-examination request for the author of a medical report must be made in accordance with 8 AAC 45.052.
- (g) A request for cross-examination filed under (f) of this section must (1) specifically identify the document by date and author, and generally describe the type of document; and (2) state a specific reason why cross-examination is being requested.
- (h) If a request is filed in accordance with (f) of this section, an opportunity for cross-examination will be provided unless the request is withdrawn or the board determines that
 - (1) under a hearsay exception of the Alaska Rules of Evidence; or
 - (2) the document is not hearsay under the Alaska Rules of Evidence; or
- (3) the document is a report of an examination performed by a physician chosen by the board under AS 23.30.095(k) or AS 23.30.110(g).
- (i) If a hearing is scheduled on less than 20 days' notice or if a document is received by the board less than 20 days before hearing, the board will rely upon that document only if the parties expressly waive the right to cross-examination or if the board determines the document is admissible under a hearsay exception of the Alaska Rules of Evidence.

A party is afforded the right to cross-examination under *Smallwood* where the document sought to be examined contains hearsay that does not fall within one of the hearsay exceptions. Hearsay is defined as, "a statement, other than one made by the declarant while testifying at the trial or hearing, offered in evidence to prove the truth of the matter asserted." Alaska Evidence Rule 801(c).

Alaska Rules of Evidence Rule 803. Hearsay Exceptions – Availability of Declarant Immaterial.

. . . .

(6) Business Records. A memorandum, report, record, or data compilation, in any form, of acts, events, conditions, opinions, or diagnoses, made at or near the time by, or from information transmitted by, a person with knowledge acquired of a regularly conducted business activity, and if it was the regular practice of that business activity to make and keep the memorandum, report, record, or data

compilation, all as shown by the testimony of the custodian or other qualified witness, unless the source of information or the method or circumstances of preparation indicate lack of trustworthiness. The term "business" as used in this paragraph includes business, institution, association, profession, occupation, and calling of every kind, whether or not conducted for profit.

ANALYSIS

Should petitioner's March 11, 2016 petition for reconsideration be granted?

Petitioner has requested *Williams I* be reconsidered to exclude findings 19 and 21. PA-C McCormick's January 18, 2016 letter is the subject of Employer's objections and request for reconsideration. Employer contends the document cannot be admitted under a hearsay exception and must be excluded from consideration unless Employee provides Employer an opportunity to cross-examine PA-C McCormick.

After filing an initial medical summary with a claim or petition, parties are required to file updated medical summaries within five days after receiving medical reports. 8 AAC 45.052(d). In this matter, PA-C McCormick's January 18, 2016 opinion letter was not filed on an updated medical summary; it was filed with Employee's notice of filing evidence for hearing on January 22, 2016, which was less than 20 days before the February 4, 2016 hearing. On February 1, 2016, Employer requested cross-examination of PA-C McCormick. Employer did not waive its right to cross-examine PA-C McCormick. PA-C McCormick was not present at the February 4, 2016 hearing; however, the hearing was continued because Attorney Weiner was unexpectedly unavailable to attend the hearing. *Williams I*.

Williams I decided two issues: (1) whether the oral order continuing the February 4, 2016 hearing was correct; and (2) whether the oral order maintaining evidence in the "status quo" as of February 4, 2016, was correct. Finding 19 summarizes PA-C McCormick's review of Employee's medical chart. Finding 21 acknowledges Employee filed a petition for an SIME and includes Employee's description of a medical dispute between Employer's medical evaluator physician, Dr. Blumberg, and Employee's treating physician, PA-C McCormick. Neither finding 19 nor 21 was relied upon in determining Employee's petition for a continuance or Employer's request or an order maintaining the evidence in the "status quo." Both finding 19 and 21 were

included to provide case history and context. Findings 19 and 21 will not be excluded. Finding 19 states what PA-C McCormick's opinion is, but does not make a ruling her opinion is admissible, nor does it weigh PA-C McCormick's opinion's veracity or reliability. Likewise, finding 21 states the basis for Employee's SIME petition, but does not decide if PA-C McCormick's opinion is admissible, that it will be relied upon to find a medical dispute exists, or that a medical dispute exists. However, when determining if a significant medical dispute exists to order an SIME, a determination regarding which of two competing opinions is more persuasive is not supposed to be made; it is enough that evidence of a medical dispute is presented. *Geister*. A determination regarding which opinion is more persuasive is not made until deciding the claim's merits. When an opinion letter is not offered to persuade that the opinion's substance is true, but solely to establish a medical dispute, the commission directs opinion letters should be considered and holds they are not hearsay evidence. *Id*.

PA-C McCormick's opinion does not fall within a hearsay exception and is not admissible, nor can it be relied upon to make a determination regarding compensability of Employee's claim unless and until Employee makes PA-C McCormick available for cross-examination and the requisite foundation is established. *Smallwood*; *Bass; Liimatta; Geister*. However, findings (1), (2), (3), (4), (5), (6), and (7) above should also have been included in *Williams I* to provide a complete case history and contextual clarity. With exception of this clarification, Employer's petition for a reconsideration order striking findings 19 and 21 will be granted in part and denied in part.

CONCLUSION OF LAW

Petitioner's March 11, 2016 petition for reconsideration is granted in part and denied in part.

ORDER

- 1) Petitioner's request for reconsideration is granted in part and denied in part.
- 2) Findings 19 and 21 will not be excluded.
- 3) Findings (1), (2), (3), (4), (5), (6), and (7) above are included in *Williams I* to provide a complete case history and context clarity. *Williams I* is reconsidered to add these findings.

Dated in Fairbanks, Alaska on March 25, 2016.

/s/		
Janel Wright, Designated Chair		
/s/	 	
Sarah Lefebyre Member		

ALASKA WORKERS' COMPENSATION BOARD

PETITION FOR REVIEW

A party may seek review of an interlocutory other non-final Board decision and order by filing a petition for review with the Alaska Workers' Compensation Appeals Commission. Unless a petition for reconsideration of a Board decision or order is timely filed with the board under AS 44.62.540, a petition for review must be filed with the commission within 15 days after service of the board's decision and order. If a petition for reconsideration is timely filed with the board, a petition for review must be filed within 15 days after the board serves the reconsideration decision, or within 15 days from date the petition for reconsideration is considered denied absent Board action, whichever is earlier.

RECONSIDERATION

A party may ask the board to reconsider this decision by filing a petition for reconsideration under AS 44.62.540 and in accordance with 8 AAC 45.050. The petition requesting reconsideration must be filed with the board within 15 days after delivery or mailing of this decision.

MODIFICATION

Within one year after the rejection of a claim, or within one year after the last payment of benefits under AS 23.30.180, 23.30.185, 23.30.190, 23.30.200, or 23.30.215, a party may ask the board to modify this decision under AS 23.30.130 by filing a petition in accordance with 8 AAC 45.150 and 8 AAC 45.050.

CERTIFICATION

I hereby certify the foregoing is a full, true and correct copy of the Interlocutory Decision and Order on Reconsideration in the matter of Darel M. Williams, employee / respondent v. Flowline Alaska, Inc., employer; Liberty Northwest Insurance Corp., insurer / petitioners; Case No. 201410923; dated and filed in the Alaska Workers' Compensation Board's office in Fairbanks, Alaska, and served on the parties by First-Class U.S. Mail, postage prepaid, on March 25, 2016.

/s/				
Jennifer	Desrosiers	. Office	Assistant	