

ALASKA WORKERS' COMPENSATION BOARD



P.O. Box 115512

Juneau, Alaska 99811-5512

JENNIFER DANNIELLE WHITE,)	
)	INTERLOCUTORY
Employee,)	DECISION AND ORDER
)	
JOHN SHANNON, D.C.)	AWCB Case No. 201817258
Claimant,)	
)	AWCB Decision No. 20-0063
v.)	
)	Filed with AWCB Anchorage, Alaska
STATE OF ALASKA,)	on July 22, 2020
)	
Self-Insured Employer,)	
Defendant.)	

The State of Alaska's March 25, 2020 petition for review of a board designee's discovery ruling was heard on the written record in Anchorage, Alaska on April 15, 2020, a date selected on March 25, 2020. This hearing was set on the Board's own motion to comply with the Act. John Shannon, D.C., (Claimant) represented himself. Assistant Attorney General, Adam Franklin represented State Of Alaska (Employer). Jennifer Dannielle White (Employee) did not participate in the hearing. The record closed at the hearing's conclusion on April 15, 2020.

ISSUE

Employer sought discovery regarding medications Claimant had administered to Employee and filed a petition to compel Claimant to respond. The board designee denied Employer's petition stating Employer had not shown why the information was necessary. Employer contends the board designee's decision was an abuse of discretion and should be reversed. Claimant did not respond before the April 15, 2020 hearing, but it is presumed he opposes Employer's petition.

Did the board designee abuse her discretion in denying Employer's petition?

FINDINGS OF FACT

A preponderance of the evidence establishes the following facts and factual conclusions:

- 1) On December 1, 2018, Employee was injured at work. (First Report of Occupational Injury, December 7, 2018).
- 2) On December 12, 2018, Claimant treated Employee with trigger point injections in to the right and left trapezius. His chart note indicates 5.5 cc of “analgesic w/5% dext[rose]” was used. (Dr. Shannon, Chart Note, December 12, 2018).
- 3) On January 2, 2019, Claimant repeated the trigger point injections. His chart note states 5cc of analgesic (Sarapin) w/5% dext[rose] was used. (Dr. Shannon, Chart Note, January 2, 2019).
- 4) On January 16, 2019, Claimant again repeated the trigger point injections. The substance used was described as “analgesic w/ 5% dext[rose].” (Dr. Shannon, Chart Note, January 16, 2019).
- 5) On January 30, 2019, Claimant again performed the injections. His chart note states 5cc of “analgesic (Sarapin) w/5% dext[rose]” was used. (Dr. Shannon, Chart Note, January 30, 2019).
- 6) Claimant’s chart notes are handwritten and include many medical abbreviations. While his handwriting is not particularly easy to read, the notes are legible. (Observation).
- 7) On March 21, 2019 Claimant filed a claim contending he had not been paid for some services rendered to Employee. Attached to the claim were explanations of benefits (EOBs) for the four dates of service which explained payment for the trigger point injections had been denied because, “The billed service falls outside the provider’s scope of practice or specialty.” (Claim, March 17, 2019; EOBs).
- 8) On April 3, 2019, Employer filed its answer to Claimant’s claim stating that, “In addition to other services, [Claimant] injected Employee with a substance, Sarapin, on 12/12/18, 1/2/19, 1/16/19 and 1/30/19.” Employer contended the charges had been properly denied because Sarapin requires a prescription and injections fall outside the scope of practice for chiropractors in Alaska. (Answer, April 3, 2019).
- 9) On April 25, 2019, Employer sent Claimant interrogatories and discovery requests. (Employer, Letter to Claimant with Discovery Requests, April 25, 2019).
- 10) Although the date is unclear, Claimant returned the discovery requests, objecting on the basis that no medical release from Employee had been provided. (Claimant, Response to Discovery Requests).

11) On May 14, 2019, Employer filed a petition asking that Claimant be compelled to respond to its discovery requests. (Employer, Petition to Compel, May 14, 2019).

12) A hearing was set for September 10, 2019 on Claimant's claim, but the hearing was continued because not all parties had been served with Employer's and Claimant's briefs. (Record).

13) On October 31, 2019, Employer resent its discovery requests to Claimant with a medical release from Employee. On November 6, 2019, Claimant responded. The relevant interrogatories, requests and answers are:

Interrogatories

2. Please state the substance you injected into [Employee] on the dates provided in you medical billing statements, i.e. 12/12/18, 1/2/19, 1/16/19, 1/30/19.

Answer: They are in my notes in your possession.

3. Please state whether you utilized you chiropractic license to obtain the substance(s) you injected into [Employee].

Answer: Do not understand the question.

4. Please state whether the substance(s) you injected into [Employee] is/are a "prescription drug" and/or "prescription medicine."

Answer: Not sure how this is relevant, as board has ruled I can use them.

Discovery Requests

1. Please provide a copy of the purchase invoice for the products you injected into [Employee]. If you do not possess the particular invoice, please provide the purchasing information, including the company from who you purchased the substance, their website address (if applicable), and the date(s) when you purchased the substance(s).

Answer: No. Upon information and belief, the AG's office is using their position to influence the WCB, MSRC to restrain the trade of myself and my profession. I strongly believe that if he receives this information he will attempt to interfere, w/o any due process, with my ability to get my supplies. (Employer, Discovery Requests, October 31, 2019, with Claimant Answers).

14) On November 15, 2019, Employer filed an amended petition asking that Claimant be compelled to respond to its discovery requests. Employer contended Claimant's chiropractic

license specifically prohibits him from utilizing prescription drugs, thus whether the substances were prescription drugs. Employer included a supplementary discovery request in its petition:

Discovery Request #2:

Please provide photograph(s) (digital image is acceptable) of the entire bottle that contained the substance injected into [Employee]. Please include photographs of all labelling on the bottle with sufficient clarity that the writing on the labels is legible. If you no longer possess that particular bottle, please provide photographs of an identical bottle, including the labelling. (Employer, Petition, November 15, 2019).

15) On December 2, 2019, Claimant filed an answer to Employer's November 15, 2019 amended petition to compel. Claimant stated the only issue was whether the services were outside his scope of practice, and *Sereyko v. Municipality of Anchorage*, AWCB Decision No. 19-0084 (August 8, 2019), had held the Board did not have jurisdiction to determine the scope of practice for chiropractors. Claimant also contended any restrictions imposed by the 2020 medical fee schedule did not apply to services he provided in 2018 and 2019. (Claimant, Answer, December 2, 2019).

16) Employer's November 15, 2019 petition was considered at the January 14, 2020 prehearing conference. The prehearing conference summary identifies the parties' arguments:

Employer is arguing *inter alia*, that:

a) The Employer has the right to discovery, and to deny this would deny the state due process and would be unfair. The Board has ruled over and over to the broad scope of discovery.

b) The requested discovery is necessary to clarify whether or not these treatments are reasonable and necessary under the fee schedule and compensable under the act. The provider has filed a claim for payment of medical costs that may be non-compensable medical treatment. This is a tangible workers' compensation issue, and it is within my right to request discovery specific to that narrow issue.

c) Chiropractic Board minutes do not change my arguments or my discovery rights. The Department of law was not consulted in these last minutes. This does not change my right to due process and the right this defend this case.

(For a complete review of the Employer's arguments, please see its Amended Petition to Compel Discovery filed 11/15/2019 and its 12/04/2019 Reply to Dr. Shannon's Opposition)

The Provider responded by arguing *inter alia*, that:

a) I did provide responses to the interrogatories twice. (see exhibit A & B of the Employer's Amended Petition to Compel Discovery filed 11/15/2019) Per my responses, the information requested in Interrogatory #1 and #2 is in my notes. Regarding Interrogatories #3, #4, and #5, if the Employer has concerns regarding my business practices, they can file a complaint with the Chiropractic Board. The Board has ruled (*Sereyko v MOA*) that it does not have the authority to investigate my license or scope of practice.

b) Regarding discovery request #1, I will not release information regarding where I purchase my supplies. Per the response submitted to the Employer, the AG's office could use this information to attempt to interfere with my ability to get my supplies. The AG's office has previously interfered with my business practices and has no reason to know where I get my supplies.

c) Regarding discovery request #2, requesting a photograph of the entire bottle that contained the substance injected into Ms. White, including the label, see the above argument. If the Employer believes a procedure is illegal, this opinion carries no more weight than any other, and the proper forum to investigate this is the Chiropractic Board.

d) Per meeting minutes from the Chiropractic Board, which is public record, new definitions to further define and clarify the definition of surgery.

(For a complete review of Dr. Shannon's arguments, please see the provider's Opposition to ER's 11/15/2019 Amended Petition to Compel Discovery Petition filed 12/02/2019)

The designee denied Employer's petition stating the requests did not appear likely to lead to discoverable information and Employer had not justified why such specific information was necessary. The summary included the standard notice that the parties could ask for modification or amendment if the summary did not conform to their understanding of the issues raised, discussions, or statements made. Additionally, the designee specifically explained that if a party did not agree with the discovery order they could request reconsideration or appeal the decision to the Board within 10 days. The prehearing conference summary was served on the parties on February 7, 2020. (Prehearing Conference Summary, January 14, 2020).

17) The January 14, 2020 prehearing was recorded, and the designee's statement of the parties' arguments is an accurate summary. When discussing Interrogatory 3 which asked whether Claimant used his chiropractic license to obtain the substance used in the injection, Claimant stated that he had a DEA license for prescription drugs, but he stated that did not affect his argument that the Board did not have jurisdiction to determine the scope of practice for chiropractors. (Record).

- 18) At the March 17, 2020 prehearing conference, both Employer and Claimant stated they had not received the January 14, 2020 prehearing conference summary. The board designee re-served the January 14th summary, and restarted the time in which they had to request reconsideration or appeal. (Prehearing Conference Summary, March 17, 2020).
- 19) Neither party asked that the January 14, 2020 prehearing conference summary be modified or amended. (Observation; Record).
- 20) On March 25, 2020, Employer filed a petition appealing the board designee's January 14, 2020 discovery ruling. (Employer, Petition, March 25, 2020).
- 21) At no time prior to the filing of Claimant's March 21, 2019 claim did Employer controvert any benefits in the case. (Record; Observation).
- 22) Trigger point injections are a common treatment for some types of muscular pain. (Observation; Experience).
- 23) The Alaska Workers' Compensation Medical Fee Schedule effective January 1, 2020 contains a provision not included in prior fee schedules:

Scope of Practice Limits

Fees for services performed outside a licensed medical provider's scope of practice as defined by Alaska's professional licensing laws and associated regulatory boards will not be reimbursable. (Alaska Workers' Compensation Medical Fee Schedule, January 1, 2020).

PRINCIPLES OF LAW

AS 23.30.001. Intent of the legislature and construction of chapter.

It is the intent of the legislature that

(1) this chapter be interpreted so as to ensure the quick, efficient, fair, and predictable delivery of indemnity and medical benefits to injured workers at a reasonable cost to the employers who are subject to the provisions of this chapter;

(2) workers' compensation cases shall be decided on their merits except where otherwise provided by statute;

....

(4) hearings in workers' compensation cases shall be impartial and fair to all parties and that all parties shall be afforded due process and an opportunity to be heard and for their arguments and evidence to be fairly considered.

The Board may base its decision not only on direct testimony, medical findings, and other tangible evidence, but also on the Board’s “experience, judgment, observations, unique or peculiar facts of the case, and inferences drawn from all of the above.” *Fairbanks North Star Borough v. Rogers & Babler*, 747 P.2d 528, 533-34 (Alaska 1987).

AS Sec. 23.30.095. Medical treatments, services, and examinations.

(a) The employer shall furnish medical, surgical, and other attendance or treatment, nurse and hospital service, medicine, crutches, and apparatus for the period which the nature of the injury or the process of recovery requires, not exceeding two years from and after the date of injury to the employee.

AS 23.30.095(a), does not require an employer to pay for all medical treatment an employee may choose to receive, but only that care that is reasonable and necessary. *Bockness v. Brown Jug, Inc.*, 980 P.2d 462 (Alaska 1999).

AS 23.30.097. Fees for medical treatment and services.

....

(d) An employer shall pay an employee’s bills for medical treatment under this chapter, excluding prescription charges or transportation for medical treatment, within 30 days after the date that the employer receives the provider’s bill or a completed report as required by AS 23.30.095(c), whichever is later.

AS 23.30.107. Release of Information. (a) Upon written request, an employee shall provide written authority to the employer, carrier, rehabilitation specialist, or reemployment benefits administrator to obtain medical and rehabilitation information relative to the employee’s injury. The request must include notice of the employee’s right to file a petition for a protective order with the division and must be served by certified mail to the employee’s address on the notice of injury or by hand delivery to the employee. This subsection may not be construed to authorize an employer, carrier, rehabilitation specialist, or reemployment benefits administrator to request medical or other information that is not applicable to the employee’s injury.

Granus v. Fell, AWCB Decision No. 99-0016 (January 20, 1999), provided guidance in discovery matters by defining the term “relative” as set forth in AS 23.30.107(a) as follows:

Parties may obtain discovery regarding any matter, not privileged which is relevant to the subject matter involved in the pending action. . . . The information sought

need not be admissible at trial if the information sought appears reasonably calculated to lead to the discovery of admissible evidence.

. . . Information which would be inadmissible at trial, may nonetheless be discoverable if it is reasonably calculated to lead to admissible evidence. Under our relaxed rules of evidence, discovery should be at least as liberal as in a civil action and the relevancy standards should be at least as broad.

To be admissible at hearing, evidence must be ‘relevant.’ However, we find a party seeking to discover information need only show the information appears reasonably calculated to lead to the discovery of evidence admissible at hearing. (Citation omitted).

Granus used by analogy the legal concept “relevancy” in its determinations about the scope of discoverable information. Relevancy describes a logical relationship between a fact and a question at issue in a case. Thus, relevancy (and discoverability) of a fact is its tendency to establish a material proposition. *Granus* utilized a two-step process to determine the relevance of information sought. The first step is to identify matters in dispute. The second step is to decide whether the information sought is relevant as it is “reasonably calculated” to lead to facts that will have a tendency to make a disputed issue, identified in step one, more or less likely. The burden of demonstrating the relevancy of the information being sought rests with the proponent of the release or discovery request. *See, e.g., Wariner v. Chugach Services, Inc.*, AWCB Decision No. 10-0075 (April 29, 2010).

AS 23.30.108. Prehearings on Discovery Matters; Objections to Requests for Release of Information; Sanctions for Noncompliance.

. . . .

(c) At a prehearing on discovery matters conducted by the board’s designee, the board’s designee shall direct parties to sign releases or produce documents, or both, if the parties present releases or documents that are likely to lead to admissible evidence relative to an employee’s injury. If a party refuses to comply with an order by the board’s designee or the board concerning discovery matters, the board may impose appropriate sanctions in addition to any forfeiture of benefits, including dismissing the party’s claim, petition, or defense. If a discovery dispute comes before the board for review of a determination by the board’s designee, the board may not consider any evidence or argument that was not presented to the board’s designee, but shall determine the issue solely on the basis of the written record. The decision by the board on a discovery dispute shall be made within 30 days. The board shall uphold the designee’s decision except when the board’s designee’s determination is an abuse of discretion. . . .

The designee’s decision on releases and other discovery matters must be upheld, absent “an abuse of discretion.” The Alaska Supreme Court stated abuse of discretion consists of “issuing a decision which is arbitrary, capricious, manifestly unreasonable, or which stems from an improper motive.” *Sheehan v. University of Alaska*, 700 P.2d 1295, 1297 (Alaska 1985). An agency’s failure to apply properly the controlling law may also be considered an abuse of discretion. *Manthey v. Collier*, 367 P.2d 884 (Alaska 1962). The Administrative Procedure Act, at AS 44.62.570, provides another definition for use by courts in considering appeals of administrative agency decisions. It contains terms similar to those noted above, but also expressly includes reference to a “substantial evidence” standard. On appeal to the Alaska Worker’s Compensation Appeals Commission or the courts, decisions reviewing a board designee’s discovery determinations are subject to review under the “abuse of discretion” standard, which incorporates the “substantial evidence test.” Therefore, a substantial evidence standard is applied to review of a board designee’s discovery determination. *Augustyniak v. Safeway Stores, Inc.*, AWCB No. 06-0086 (April 20, 2006). When applying a substantial evidence standard, a “[reviewer] may not reweigh the evidence or draw its own inferences from the evidence. If, in light of the record as a whole, there is such relevant evidence as a reasonable mind might accept as adequate to support a conclusion . . . the order . . . must be upheld” under this test. *Miller v. ITT Arctic Services*, 577 P.2d 1044, 1049 (Alaska 1978).

AS 23.30.155. Payment of compensation.

(a) Compensation under this chapter shall be paid periodically, promptly, and directly to the person entitled to it, without an award, except where liability to pay compensation is controverted by the employer. To controvert a claim, the employer must file a notice, in a format prescribed by the director, stating

- (1) that the right of the employee to compensation is controverted;
- (2) the name of the employee;
- (3) the name of the employer;
- (4) the date of the alleged injury or death; and
- (5) the type of compensation and all grounds on which the right to compensation is controverted.

. . . .

(d) If the employer controverts the right to compensation, the employer shall file with the division, in a format prescribed by the director, a notice of controversion on or before the 21st day after the employer has knowledge of the alleged injury or death. If the employer controverts the right to compensation after payments have begun, the employer shall file with the division, in a format prescribed by the director, a notice of controversion not later than the date an installment of compensation payable without an award is due. When payment of temporary disability benefits is controverted solely on the grounds that another employer or another insurer of the same employer may be responsible for all or a portion of the benefits, the most recent employer or insurer who is party to the claim and who may be liable shall make the payments during the pendency of the dispute. When a final determination of liability is made, any reimbursement required, including interest at the statutory rate, and all costs and attorney fees incurred by the prevailing employer, shall be made not later than 14 days after the determination.

AS 23.30.395. Definitions.

In this chapter,

....

(32) “physician” includes doctors of medicine, surgeons, chiropractors, osteopaths, dentists, and optometrists;

Statutes regarding chiropractic practice are found in Title 8, Chapter 20 of the Alaska Statutes:

AS 08.20.010. Creation and membership of Board of Chiropractic Examiners.

There is created the Board of Chiropractic Examiners consisting of five members appointed by the governor.

AS 08.20.055. Board regulations.

The board shall adopt regulations necessary to effect the provisions of this chapter, including regulations establishing standards for

....

(3) the training, qualifications, scope of practice, and employment of chiropractic interns and chiropractic preceptors;

AS 08.20.100. Practice of chiropractic.

....

(b) A person licensed under this chapter may

- (1) analyze, diagnose, or treat the chiropractic condition of a patient by chiropractic core methodology or by ancillary methodology;

AS 08.20.195. Limitation of practice.

A person licensed under this chapter . . . may act only within the scope of practice authorized by the board.

Chiropractic regulations are in Title 12, Chapter 16 of the Alaska Administrative Code:

12 AAC 16.990. Definitions

. . . .

- (b) In AS 08.20.900,

- (1) “prescription drug” means a drug that

- (A) under federal law, before being dispensed or delivered, is required to be labeled with either of the following statements:

- (i) “Caution: Federal law prohibits dispensing without prescription”;

- (ii) “Caution: Federal law restricts this drug to use by, or on the order of, a licensed veterinarian”; or

- (B) is required by an applicable federal or state law or regulation to be dispensed only under a prescription drug order or is restricted to use by practitioners only;

- (2) “surgery”

- (A) means the use of a scalpel, sharp cutting instrument, laser, electrical current, or other device to incise or remove living tissue;

- (B) does not include venipuncture or the removal of foreign objects from external tissue.

One of the policy justifications for the existence of administrative adjudication is that as a result of their limited jurisdiction, administrative agencies are able to develop expertise in a narrow area. Some courts have decided that a grant of judicial power to an administrative agency is acceptable when the administrative body “resolve[s] factual issues underlying a purely statutory right.” Administrative agencies do not have jurisdiction to decide issues of constitutional law. Delegation to an administrative agency is upheld as long as the administrative tribunal stays

within the bounds of its authority. . . . We recognize that the Appeals Commission, like the Board, may be required to apply equitable or common law principles in a specific case, but both of these quasi-judicial agencies can only adjudicate in the context of a workers' compensation case. Neither the Appeals Commission nor the Board has jurisdiction to hear any action outside of a workers' compensation claim.

Alaska Pub. Interest Research Grp. v. State, 167 P.3d 27, 36 - 37 (Alaska 2007) (citations omitted).

Sereyko v. Municipality of Anchorage, AWCB Decision No. 19-0084 (August 8, 2010), noted the Supreme Court had previously held that the Workers' Compensation Board had no jurisdiction to hear actions outside of a workers' compensation claim. *Sereyko* stated:

In *Alaska Pub. Interest Research Grp.*, the Supreme Court explained that one of the justifications for administrative adjudications is that agencies can develop expertise in narrow areas. As a result, the Board can only adjudicate in the context of a workers' compensation case. One of the areas in which the Board has some expertise is the provision of medical care to injured workers. While issues regarding a provider's scope of practice might in some cases fall within the Board's jurisdiction, such questions are rare, and the Board does not have particular expertise in that area. Here, AS 08.20.055 specifically delegates issues regarding the scope of chiropractic care to the Chiropractic Board. Given that statutory delegation, the Board does not have jurisdiction to determine issues regarding the scope of chiropractic care.

ANALYSIS

Did the board designee abuse her discretion in denying Employer's petition?

Under *Granus*, the first step in analyzing a discovery dispute is to determine the issues in dispute in the case. While broad discovery is allowed in workers' compensation cases, it must still be reasonably calculated to result in admissible evidence bearing on an issue in dispute in the case. Given the reasons for the denials on the EOBs, Claimant's claim, and Employer's Answer, the issue is whether the treatments were within Claimant's scope of practice. Employer contends the designee's decision was arbitrary, not supported by the evidence, and thus an abuse of discretion. *Sereyko* held the Board did not have jurisdiction to address the scope of practice issue, and while *Sereyko* is not binding on other hearing panels, it is not an abuse of discretion for a board designee to rely on it. If a Board decision has held that, as a matter of law, it does not have jurisdiction to address an issue, a designee's decision that is in conformance with decision is not arbitrary. The designee considered the parties' filings and accurately summarized their arguments. Nothing

suggest she did not consider the law and the facts in determining whether discovery requests were not reasonably calculated to lead to admissible evidence.

Employer also argues the fee schedule does not contemplate payment for acts in violation of the law. It contends there are questions as to whether an injection is compensable when performed by someone without the necessary professional license and whether the substance requires a license to possess or dispense. This is simply a re-framing of the scope of practice question. If the injections are within the scope of practice for chiropractors, Claimant has the necessary license.

Employer had the burden of demonstrating the information sought was relevant to an issue the Board can decide, but it did not do so. The designee's decision was supported by the evidence and was not arbitrary; she did not abuse her discretion.

CONCLUSION OF LAW

The board designee did not abuse her discretion in denying Employer's petition.

ORDER

Employer's March 25, 2020 petition for review of a board designee's discovery ruling is denied.

Dated in Anchorage, Alaska on July 22, 2020.

ALASKA WORKERS' COMPENSATION BOARD

/s/
Ronald P. Ringel, Designated Chair

/s/
Nancy Shaw, Member

/s/
Randy Beltz, Member

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 in the matter of JENNIFER DANNIELLE WHITE, employee / claimant v. STATE OF ALASKA, self-insured employer / defendant; Case No. 201817258; dated and filed in the Alaska Workers' Compensation Board's office in Anchorage, Alaska, and served on the parties by certified U.S. Mail, postage prepaid, on July 22, 2020.

/ s/

Kimberly Weaver, Office Assistant