# WCLA NEWS

# FROM THE PRESIDENT'S DESK

Dear WCLA Members.

It is hard to believe that June is nearly over, especially after the never-ending winter we experienced with all of the cold and rainy weather. Despite the dreary weather, things at WCLA have been amazing.

Perhaps the most exciting change for members is the implementation of the ability to stream the continuing legal education seminars from the WCLA website. These are available for the entire month following the seminar. Not only do you have access to the information, but you can also still receive credit if you view it within the 30 day period online. We are confident that this program will increase our collar County and downstate membership and, as a result, increase our voice in Springfield.

I am very pleased to announce that the WCLA Board has voted to continue our charitable partnership with the Ronald McDonald House through 2019. This is an amazing organization to provide support to families whose children are undergoing medical treatment at Lurie's Children's Hospital. Through the charitable contributions of our WCLA members, we were able to provide support, housing, and meals to over 600 families over the past five years.

On June 20, 2018, we hosted the members of the Workers' Compensation Division of the Illinois Appellate Court at the University Club. This was a great opportunity to not only listen to what the justices have to say about practicing in front of them but also to ask them questions. I found this event to be one of the most outstanding WCLA events as it provides a rare opportunity for feedback and guidance on our practice in front of the Appellate Court.

We will continue to have our monthly continuing legal education seminars, all of which are listed on the WCLA website. We are also planning our second medical seminar of the year to take place in September.

Of course, we are about more than teaching, as we all know! The YLS hosted a bourbon and cigar tasting event on June 7, 2018, which was open to all members and a lot of fun. Additional YLS happy hours will be scheduled throughout the rest of the year.

Also, by now, you should have received your invitation to the annual golf outing, perhaps our most popular event. We look forward to a great day of sunshine, camaraderie, raffle prizes and some golf!

We are delighted to have you as a member. Membership in the WCLA not only benefits you as an individual, but the entire practice. I encourage you to refer your friends and colleagues to our great organization. As we all know, there is strength in numbers.

Sincerely,
Peter J. Stavropoulos
2018 President of the WCLA

# Summer 2018

Inside this issue:
President's Message
Page 1
Section 8.2(d)(3) of the Act
Page 2
Upcoming Events
Page 3

#### **OFFICERS**

Peter J. Stavropoulos President James B. Hardy Vice President Vitas J. Mockaitis Treasurer Laura D. Hrubec Secretary

#### **BOARD OF DIRECTORS**

**Natalie Bagley** Tyler Berberich **Jack Cannon** Gerald F. Cooper, Jr. Catherine Doan Austin E. Friedrich Christine Jagodzinski **Tracy Jones** Jennifer J.C. Kelly Denne Knell Michelle LaFayette David B. Menchetti Michael S. Powalisz John Rizzo Nicole Schnoor **Lindsey Strom** 

Nina Albano Vidmer Executive Director

#### **Newsletter Committee**

John J. Castaneda – Chair Michelle LaFayette, Vice Chair Natalie Bagley Catherine Krenz Doan Austin Friedrich Christine Jagodzinski Tracy Jones Denne Knell Nicole Schnoor

Interested in submitting an article? Contact John Castaneda at jcastaneda.cac@gmail.com

www.wcla.info • wcla@navandassoc.com • 708-338-0760 • WCLA P.O. Box 3217 Oak Brook IL 60522

# SECTION 8.2(D)(3) OF THE ACT

Are medical service providers able to bring a private right of action for interest under section 8.2(d)(3) of the Act?

On April 26, 2018, the First District Appellate Court filed the decision of: Medicos Pain & Surgical Specialists, S.C., and Ambulatory Surgical Care Facility v. Travelers Indemnity Co. of America and Blackhawk Steel Corp., 2018 IL App (1st) 162591. In its decision the court affirmed that medical service providers do not have a private right of action to interest on medical bills under section 8.2(d) (3) of the Act. *Id.* at ¶ 16. In *Med*icos, the Appellate Court vacated the Circuit Court's judgment order. The only issue on appeal was whether medical service providers were entitled to interest under section 8.2(d)(3) of the Act. Section 8.2(d)(3) states that payments to a medical service provider "shall incur interest at a rate of 1% per month payable to the provider." 820 ILCS 305/8.2(d)(3) (West 2018).

# Facts

In 2010, Javier Mendoza was injured in an accident arising out of, and, in the course of employment, when he fell off a truck from approximately four feet high and landed on his left side. *Medicos*, 2018 IL App (1st) 162591 at ¶2. Mendoza injured both of his shoulders and as a result, Mendoza underwent a left rotator cuff surgery in late 2010, and a right rotator cuff surgery in

early 2011. Id. Before each surgery, Medicos faxed a one-page surgery approval request form to Travelers and received a faxed response prior to the repair surgeries. Id. The forms identified the procedures to be performed and provided a line for checking "Approved" or "Denied;" Travelers ticked the approval line. *Id.* 

Two years later Medicos and Ambulatory filed a complaint attaching the approval faxes and other exhibits alleging \$166,944.00 in bills were issued to Travelers and Blackhawk, and they only received \$1,714.00. Id. at ¶3. Medicos and Ambulatory alleged that Travelers and Blackhawk were liable for the remaining balance under the theory of promissory estoppel, in addition to statutory interest under section 8.2(d)(3) of the Act. 820 ILCS 305/8.2(d)(3) (West 2018). Travelers and Blackhawk argued that the approval faxes amounted to an unambiguous promise for surgical bills. Medicos, 2018 IL App (1st) 162591 at ¶3. Medicos and Ambulatory noted that the lawsuit was intended to collect statutory interest, not unpaid bills. Id.

# Illinois Workers Compensation Decision

In February 2013, the Arbitrator determined that the remaining charges were "reasonable and necessary." *Id.* at ¶6. The Arbitrator awarded \$29,708 to Medicos and an additional \$38,554 to Ambulatory. *Id.* The Arbitrator rejected Mendoza's argument that the surgeries were preauthorized, and therefore,

all surgeries should have been paid. Id. The Arbitrator concluded that Mendoza was not entitled to penalties under sections 19(k) and 19(l) of the Act or attorney fees under section 16 of the Act. 820 ILCS 305/16, 19(k), and 19(l) (West 2018). The Arbitrator held "that although the need for surgery was not in dispute, there was clearly a disagreement as to whether all the charges stemming from those surgeries were reasonable and whether the outstanding fee schedule charges were accurately calculated [or had been double billed in error]. Medicos, 2018 IL App (1st) 162591 at ¶ 6.

## Circuit Court Decision

The parties appeared at the circuit court for a bench trial on the issue of interest on March 11, 2016. Id. at ¶7. Medicos and Ambulatory sought interest under 8.2(d)(3) of the Act totaling \$17,927.00 for the first surgery, and \$19,303.00 for the second surgery, as well as \$2,208.00 in 5% prejudgment interest. Id.; 820 ILCS 305/8.2(d) (West 2018). During the trial, Medicos and Ambulatory only argued a statutory claim regarding payment of interest on late paid medical bills. Medicos, 2018 IL App (1st) 162591 at ¶6. Travelers and Blackhawk tendered the ruling of Circuit Court Judge Rita Novak in Marque Medicos Fullerton, LLC v. Zurich American Insurance Co., 2017 IL App (1st) 160756. Id. at ¶9. In Marque *Medicos*, a group of medical service providers sued a group of workers'

compensation insurers alleging they violated section 8.2(d)(3) of the Act. *Id.* Judge Novak ruled that medical service providers, such as Medicos and Ambulatory, "could not pursue their statutory interest claims under three theories: (1) an implied-in-fact contract; (2) an implied private right of action under the Act; or (3) as third-party beneficiaries of various workers' compensation insurance policies." Id. While the trial judge acknowledged Judge Novak's ruling, Medicos and Ambulatory were awarded the full amount of interest. Id. at ¶10.

# **Appellate Court Decision**

Travelers and Blackhawk appealed to the Appellate Court requesting reconsideration for two reasons. First, Medicos and Ambulatory failed to prove promissory estoppel as alleged in their complaint. *Id.* at ¶12. Then, in *Marque Medicos*, Judge Novak held that medical service providers' statutory interest claims were rejected and dismissed with prejudice. *Id.* Therefore, Medicos and Ambulatory's statutory interest claims should be rejected and dismissed. See *id.* 

Medicos and Ambulatory argued that promissory estoppel was irrelevant once the Commission upheld the Arbitrator's award for medical service fees. The parties returned to the circuit court to address the issue of interest. *Id.* at ¶13. Moreover, they relied on the late payments made as evidence to conclude that under the Act, Medicos and Ambulatory were entitled to section 8.2(d)

(3) interest. Id. Medicos and Ambulatory mentioned Marque Medicos to support their argument that the trial court and not the Commission has subject-matter jurisdiction over common-law claims regarding section 8.2(d)(3) interest. *Id*.

The Appellate court rejected Medicos and Ambulatory's argument that promissory estoppel became irrelevant after the Commission awarded Mendoza compensation under the Act. *Id.* at ¶14. The Court noted that Medicos and Ambulatory failed to prove the common-law theory of promissory estoppel. Id. Moreover, the Commission's decision did not affect the common-law claim. The Court confirmed that *Marque Medicos* was controlling on this issue. *Id.* 

In Marque Medicos, the court held that the "plaintiff, [the] medical service providers, had no private right of action to be compensated for the purported failure of the defendant, [the] workers' compensation insurer and employer, to comply with the interest provision of section 8.2(d) (3) of the Act." Id. at ¶16 citing Marque Medicos, 2017 IL App (1st) 160756 at ¶38. The court in Marque Medicos noted that if a private right of action was authorized by the legislature, then a party may assert a right to be compensated for violation of a statute. Id. at ¶16; Marque Medicos, 2017 IL App (1st) 160756 at ¶57. The court found that 8.2(d) (3) of the Act does not expressly authorize a private right of action. To establish a private right of action all

# **2018 EVENTS**

#### ANNUAL GOLF OUTING

August 10 - Pheasant Run Resort Click here for more information and to register.

#### **3-HOUR MED SEMINAR**

Fall 2018 - Coinciding with IWCC Judicial training Details TBA

# NOMINATIONS MEETING

November 6 - Petterinos, Chicago

# **HOLIDAY PARTY**

December 7 - W Hotel City Ctr, Chgo

# **ELECTION MEETING**

December 10 - Petterinos, Chicago

# BROWN BAG LUNCHES PROGRAMS

Held in the JRTC Assembly Hall which is the auditorium on the Concourse (basement) level of the James R. Thompson Center (State of Illinois Building) at 100 W. Randolph in Chicago. All programs begin at 12:00 noon and end at 1:00 pm. Upcoming dates are as follows:

Tuesday, July 10

Wednesday, July 10
Wednesday, August 8
Thursday, September 13
Tuesday, October 9
Wednesday, November 7
Thursday, December 13

Visit our website for up-to-date event information and membership renewal. www.wcla.info

four factors must be met: "(1) the plaintiff is a member of the class for whose benefit the statute was enacted; (2) the plaintiff's injury is one the statute was designed to prevent; (3) a private right of action is consistent with the underlying purpose of the statute; and (4) implying a private right of action is necessary to provide an adequate remedy for violations of the statute." Id. This Court rejected the argument that because section 8.2(d) of the Act required payments to be made to medical service providers only, these providers should be considered members of the class benefited by the Act, thus satisfying the first factor. Medicos, 2018 IL App (1st) 162591 at ¶16; Marque Medicos, 2017 IL App (1st) 160756 at ¶58. The court explained that fundamentally the Act protects employees by providing them prompt and fair compensation for work-related injuries, regardless of fault. Medicos, 2018 IL App (1st) 162591 at ¶16; Marque Medicos, 2017 IL App (1st) 160756 at ¶58. Further, the legislature's primary goal in establishing the Act was to compensate employees completely and promptly, and any benefit to the medical service provider is at most incidental. Marque Medicos, 2017 IL App (1st) 160756 at ¶60. Therefore, this Court concluded that Medicos and Ambulatory only asserted a claim for interest under section 8.2(d)(3) of the Act and that claim fails because medical service providers are not a protected member of the class for whose benefit the Act was enacted. Medicos, 2018 IL App (1st) 162591 at ¶17. This Court held that the medical service providers failed to state a claim upon which relief could be granted and the trial court erred in awarding statutory interest. Id. at ¶19. In the concurring opinion of the First District Appellate Court, Judge Gordon explained that the legislature vested exclusive original jurisdiction in the Workers' Compensation Commission regarding all matters involving injured workers, including benefits and employer defenses under the Act. Id. at ¶22; 820 ILCS 305/1 (West 2018). Here, the injured worker did not request enforcement of 8.2(d) of the Act before the Workers' Compensation Commission, and Medicos and Ambulatory were not parties in that proceeding. Medicos, 2018 IL App (1st) 162591 at ¶22. Therefore, the Circuit Court of Cook County lacked jurisdiction to decide the issue of interest or "any of the issues advanced by Plaintiff." Id.

#### **CONCLUSION**

This Court has clarified that medical service providers are not the class of persons who the legislature intended the Act to protect. Rather, medical service providers are incidental beneficiaries of the injured employee. It is well established that fundamentally the Act compensates employees injured on the job promptly, fairly, and completely. The First District Appellate Court interpreted the Act to prohibit medical service providers from bringing a private action against an employer or insurer under the interest provision of the Act. 820 ILCS 305/8.2(d)(3) (West 2018). The Illinois Supreme Court has denied a petition to leave for appeal. Other panels within the First District Appellate Court have affirmed Marques Medicos. As of 2017, medical service providers will not be able to bring a private right of action for interest under section 8.2(d)(3) of the Act.

# NOT A WCLA MEMBER OR NEED TO RENEW? CLICK HERE















Why do more plaintiff attorneys refer their clients to PCF than any other lawsuit loan company?

# **Simplest Forms**

Our one page info sheet only takes minutes to complete.

# **Fastest Approval**

Your client will usually receive Approval within an hour of receipt of the requested information.

We were the first and are the largest licensed finance company in the country providing loans to injury victims. Call today to speak with a Preferred Capital Funding representative.



CASH ADVANCES TO PLAINTIFFS

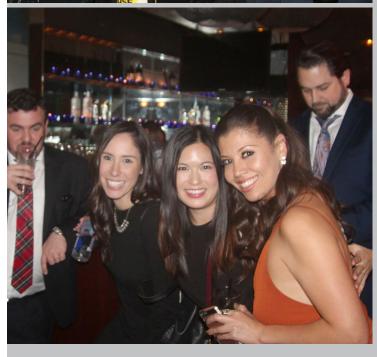
Chicago • Las Vegas • St. Louis • Cleveland • Utah

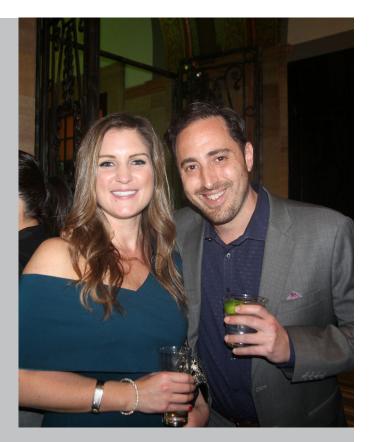
1-800-992-9615

www.PCFCash.com













To schedule Work Comp patients or services, including FCEs and Work Conditioning:

Call - 888-8-WORK4U
Email - Work4U@athletico.com
Visit - www.athletico.com/Work4U









Move better. Live better. Work better.

Known for our integrity and efficiency, IBJI performs medical evaluations critical to litigating workers' compensation cases:

- Independent Medical Exams
- Independent Functional Capacity Evaluations
- Record Reviews (IBJI works directly with physicians' offices to gather all critical documentation)

With more than 100 board-certified and fellowship-trained physicians and surgeons focused strictly on musculoskeletal health, and 20+ offices across the greater Chicago area, we offer the convenience and clinical expertise to effectively and proficiently serve you and your clients' needs.

Visit http://www.ibji.com/workers-compensation-ime or call 847-954-7698.

Orthopedic Care | Rheumatology | Rehab | MRI | Immediate Care



Our expertise includes careful evaluation of injury causation, timely turnaround of Work Status reports (within 24 hours of office visit), and providing the latest in cost effective treatment options.

We offer same day or next day appointments.

1200 South York Rd., Suite 4110, Elmhurst, IL 60126	630.279.2401
550 West Ogden Ave., <b>Hinsdale</b> , IL 60521	630.323.6116
951 Essington Rd., Joliet, IL 60435	815.744.4551
2940 Rollingridge Rd., Suite 102, Naperville, IL 60564	630.579.6500
1870 Silver Cross Blvd., Suite 200, New Lenox, IL 60451	815.462.3474
4700 Gilbert Ave., Suite 51, Western Springs, IL 60558	708.387.1737
1010 Executive Ct., Suite 250, Westmont, IL 60559	630.920.2350
8141 Calumet Ave., Munster, IN 46321	219.961.9480

# www.hinsdale-orthopaedics.com

# REGISTER FOR UP-COMING EVENTS CLICK HERE



Suisse Bancorp is going paperless! We will extract case details from your client and follow up with attorney via email or phone to verify information is correct. No more faxing back and forth and no more time consuming sheets need to be filled out. Suisse Bancorp has simplified the loan process to

#### ACCOMMODATE YOUR SCHEDULE.

Suisse Bancorp has over ten years of experience in the lawsuit loan industry and the level of customer service you deserve. We will make sure your first client referral...won't be your last.



www.suissebancorp.com 630.571.4101



Page Page10



# Top-Ranked Workers' Compensation Care.

injured workers deserve the very best or inopedic cure. Specialists from the Bask orthopedic program, ranked 5th in the nation and lighest in Block and Indiana by IAS. Here: & Mitrit Report, are ready to treat every orthogodic and spine issue. We'll quickly return your injured workers back to full health.

It's how orthopedic care should be.

To learn more about our workers' compensation services or to find a dericz, wież naskortkowenia/workerszany.

To extractate on expectited approintment, cell 877-840-92965.

TEAM PHYSICIANS









BOW ORTHOPEDIC CARE SHOULD BE



ERVICING: WORKERS COMPENSATION / PERSONAL INJURY

# PAIN NEEDS A NEW APPROACH

- A superior drug-free treatment option for pain and disability
- A modality that provides rehabilitative and cumulative benefits
- Unmatched research, technology, clientele and results-based quarantee

Field-tested and clinically proven, year after year:

65% of patients reduced or completely eliminated need for pain medication\* 78% of patients reported significant pain relief\*

79% of patients reported increased functional capacity or activity\*

\*Advances in Therapy 2006 Sept-Dct; 23(5): 738-49

Contact: JULIE MCNALLY MT (ASCP) (773) 571-8954 JMCNALLY@H-WAVE.COM

800-874-9283 www.h-wave.com



CHICAGO • OAK PARK • WINFIELD • WESTCHESTER • MUNSTER







Physical Therapy | Work Conditioning Functional Capacity Evaluations (FCE)

> For assistance with appointment scheduling, please call: (312) 961-5918

> > www.ATIpt.com

# Preferred Med Network Bringing doctors and accident victims together.

# NE CALL

and your injured clients see a top medical provider the same day!

Our network includes hospitals, top orthopedic & neurosurgery groups, pain-management doctors, surgery centers and most specialties sought by injured clients.

# WHY ATTORNEYS USE PMN: ■ Top medical providers willing to treat your clients on a lien ■ Conveniently located near your client

- We make sure appointments are kept or you will be notified
- Free medical records\*
- We help resolve medical liens when needed

\*when available

Start sending your clients today! 312.533.4606 or referral@PreferredMedNetwork.com

# Illinois Workers' Compensation

Attorneys in the **WIN Network** fight for the benefits injured workers deserve:

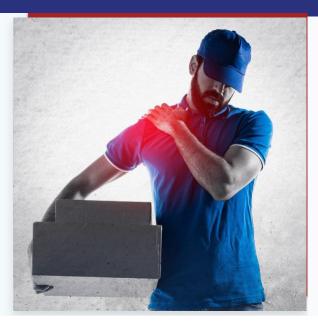
- **♦** Medical Treatment
- **◆** Wage Replacement Checks
- ◆ Vocational Rehabilitation
- ◆ Permanent Disability
- **◆** Settlement Checks

Illinois law requires all employers to have workers' compensation insurance, but these insurance companies are not on your side.

You need somebody on your side who will fight your right to fair and just compensation.

Attorneys in our network have offices located throughout the state of Illinois and can even meet you at home.

Schedule an appointment with an attorney near you today.





- · Expedited Appointments
- Easy Patient Scheduling
- 48-Hour IME Reports
- Same-Day Work Status Reports
- Full-Time Workers' Comp Coordinator
- Litigated Workers' Comp and Lien Personal/ Auto Injury Cases Accepted
- Board-Certified/Fellowship-Trained Physicians
- Thorough Evaluations and Diagnoses
- Cost-Effective and Proven Treatment Plans
- On-Site Open MRI



# 855-MBJ-BONE • midwestbonejoint.com

Algonquin • Barrington • Elgin • Geneva

Anthony W. Savino, MD • James S. Fister, MD • Michael G. Kogan, MD Vincent P. Cannestra, MD • Shawn W. Palmer, DO • James R. Seeds, MD Joshua M. Alpert, MD • Tom D. Stanley, MD, MPH

# Fast. Simple. Hassle-Free.

Oasis Financial provides legal funding to clients.

Co-founded and run by personal injury attorneys,
Oasis Financial created a unique process
that caters to your client's needs.



# E-Sign | No Document Review

Client can sign contract on mobile device



# Assigned Attorney Contact

There is one point of contact that is always one call away



#### Cash in 24 Hours

- Western Union® to one of 500,000 outlets
   Bank wire to client's account
- Learn more about how it works.

Go to: www.oasisfinancial.com/direct



It's very common for us to provide clients with pre-settlement funding the same day.

The average transaction takes about 24-48 hours, from application to cash in hand.



# **ILLINOIS ORTHOPEDIC NETWORK**

The management of injury cases, especially work-related injuries, requires the knowledge and experience needed to assist with ensuring a successful outcome for the injured person. At Illinois Orthopedic Network, we have the ability to manage not only the medical treatment, but we also work with attorneys, medical case managers, and insurers in getting injured persons the treatment and services they deserve when dealing with a personal, vehicular or work-related injury.

712 North Dearborn Street, Chicago PHONE: 1 312-951-8200 EMAIL: info@ionorthopedics.com WEB: ionorthopedics.com