

U.S. Supreme Court Declines to Review Challenge to Florida Workers' Comp System

By Amy O'Conner

The United States Supreme Court has refused to review a Florida case challenging the state's entire workers' compensation system, which could be seen as the state's only reprieve on workers' comp this year.

The Court's Oct. 31 decision without comment was in response to the case of *Daniel Stahl v. Hialeah Hospital*, which made its way through the state courts until April when the Florida Supreme Court ruled it did not have jurisdiction in the case. The petitioners sought U.S. Supreme Court review in August.

The Stahl case questioned whether Florida's workers' comp system is an adequate alternative for injured workers since its major overhaul in 2003. More specifically, the case challenged whether the elimination of a type of partial disability benefits by lawmakers is legal.

The case stems from a back injury the petitioner, Stahl, suffered while working as a nurse for Hialeah Hospital in 2003, just a few months after the changes to the workers' comp system went into effect. Stahl's physician found in October 2005 that he had reached his maximum medical improvement (MMI) and his injury was later classified as career-ending because he could not return to work as a nurse. He was then entitled to impairment income benefits of 12 weeks and compensated \$5,472 for his career-ending injury. It was later determined that Stahl did not meet the definition of permanent total disability (PTD) and his claim for PTD benefits was denied.

Stahl claimed that the benefits available since Oct. 1, 2003, when Florida's workers' comp reforms went into effect, are "inadequate and therefore cannot be the exclusive remedy for on the job injuries," and that the state's workers' comp law violates the U.S. Constitution.

Florida attorneys who are familiar with the case are not surprised the U.S. Supreme Court declined to hear the case.

"The petition to the U.S. Supreme Court was a long shot at best by the Petitioner seeking to have the U.S. Supreme Court determine a challenge of the constitutionality of the Florida's workers' compensation system. The lack of action on the petition means that Mr. Stahl's case is essentially over as to challenging the act as a whole," said Allison Hartnett, senior partner for Florida firm Walton Lantaff Schroeder & Carson LLP.

"Essentially, Stahl was an indictment of the entire workers' compensation law in Florida, and the 1st District Court of Appeal, the Florida Supreme Court, and the U.S. Supreme court have rejected that indictment," said **Justin Parafinczuk of insurance defense firm Koch Parafinczuk & Wolf P.A. in Florida.**

Parafinczuk added that the effort to eliminate the entire workers' compensation law could have done much more harm to workers than good.

“Under the current, workers’ compensation law, there is no burden on the claimant to prove fault and no allocation of comparative fault—those are both huge advantages for workers. The only proof necessary to have a workers’ compensation claim is that the accident happened while the claimant was working within the scope of their employment — that’s it,” he said.

However, other challenges to the state’s workers’ comp system were not so easily dismissed. The end of the Stahl challenge comes just a few months after the Florida Supreme Court overturned two other important workers’ comp cases that have had a dramatic effect on the state’s workers’ comp system.

The Florida high court ruled in April in the case of Castellanos v. Next Door Company that the mandatory attorney fee schedule is unconstitutional as a violation of due process under both the Florida and United States Constitutions.

On June 9, the Florida Supreme Court ruled on Westphal v. City of St. Petersburg saying the 104-week statutory limitation on temporary total disability benefits is unconstitutional because it causes a statutory gap in benefits in violation of an injured worker’s constitutional right of access to courts. The Supreme Court reinstated the 260-week limitation in effect prior to the 1994 law change.

In response, the Florida Office of Insurance Regulation approved a 14.9 percent rate increase request to the National Council of Compensation Insurers on behalf of Florida insurers. Insurance experts expect that rate increase is only the tip of the iceberg if Florida doesn’t address the issue during its next legislative session.