

No. 1-15-2787

NOTICE: This order was filed under Supreme Court Rule 23 and may not be cited as precedent by any party except in the limited circumstances allowed under Rule 23(e)(1).

IN THE
APPELLATE COURT OF ILLINOIS
FIRST JUDICIAL DISTRICT

ALFREDO MARTINEZ,)	Appeal from the
)	Circuit Court of
Petitioner-Appellant,)	Cook County, Illinois.
)	
v.)	No. 15 L 50211
)	
R.G. CONSTRUCTION SERVICES,)	Honorable
)	James M. McGing,
Respondent-Appellee.)	Judge Presiding.

PRESIDING JUSTICE MASON delivered the judgment of the court.
Justices Fitzgerald Smith and Lavin concurred in the judgment.

ORDER

¶ 1 *Held:* Employer's payment in full of an award in a workers' compensation case bars entry of judgment and post-judgment interest.

¶ 2 In this workers' compensation case, our review is limited to determining whether the circuit court erred in denying plaintiff Alfredo Martinez's petition for entry of judgment pursuant to section 19(g) of the Workers' Compensation Act (820 ILCS 305/19(g) (West 2008)) (Act) based on his assertion that defendant R.G. Construction Services failed to tender full payment of medical expenses and applicable interest in accordance with the Illinois Workers' Compensation

Commission's decision. Because R.G. Construction tendered full payment of the amount due before Martinez filed his petition for entry of judgment, we affirm the circuit court's denial of Martinez's petition and his request for post-judgment interest.

¶ 3

BACKGROUND

¶ 4

On December 15, 2008, Martinez sustained a work-related injury to both of his knees. On June 12, 2009, Martinez filed an application for adjustment of claim with the Commission under the Act (820 ILCS 305/1, *et seq.*) (West 2008)) seeking benefits from R.G. Construction relating to his injuries. After a hearing, the arbitrator found that the injury to Martinez's right knee arose out of and in the course of employment with R.G. Construction. The arbitrator awarded Martinez: (1) temporary total disability (TTD) benefits of \$1,005.70 per week for 107 and 4/7 weeks subject to a credit of \$21,409.47 for already paid TTD benefits; (2) payment of reasonable and necessary medical services associated with his right knee/leg condition as provided in sections 8(a) and 8.2 of the Act (820 ILCS 305/8(a), 8.2 (West 2008)) subject to a credit for paid medical expenses; and (3) interest under section 19(n) of the Act (820 ILCS 305/19(n) (West 2008)) at a rate of .05% accruing from the date of the arbitrator's award to the day before the date of payment. One of the many exhibits that Martinez offered into evidence was PX #6—a spreadsheet listing the billed amounts, adjustments and payments made, and the remaining balances for various medical providers. The balance outstanding for medical services was listed as \$10,220.29.

¶ 5

Both parties filed a petition for review with the Commission. Following review, the Commission modified the arbitrator's award finding that Martinez also sustained injuries to his left knee that were causally connected to the work accident. The Commission increased the TTD award to include an additional 17 and 3/7 weeks of benefits. Regarding medical expenses, the

Commission ordered R.G. Construction to "pay any outstanding amounts due to [Martinez's] medical providers as documented in PX #6 and as provided in Sections 8(a) and 8.2 of the Act. [R.G. Construction] shall authorize and pay for the reasonable and necessary left knee treatment *** per Sections 8(a) and 8.2 of the Act." The Commission otherwise affirmed and adopted the arbitrator's award, including the imposition of section 19(n) post-award interest.

¶ 6 R.G. Construction filed a complaint for administrative review. The circuit court confirmed the Commission's decision, and R.G. Construction appealed to this court. *R.G. Construction Services v. The Illinois Workers' Compensation Comm'n*, 2014 IL App (1st) 132137WC, ¶ 3. We affirmed the circuit court's judgment. *Id.* ¶ 57.

¶ 7 On February 16, 2015, following issuance of the mandate, R.G. Construction tendered \$106,032.30 as payment of the final award comprised of the following: (1) \$104,303.03 in net TTD benefits; (2) \$1,384.52 in net medical expenses after prior payment credits and per the medical fee schedule limits; and (3) \$344.75 in section 19(n) interest.

¶ 8 A few weeks later, Martinez filed a section 19(g) petition for entry of judgment on the Commission's decision asserting that R.G. Construction failed to tender full payment of the final award, and interest calculated at 9% as set forth in section 2-1303 of the Illinois Code of Civil Procedure (735 ILCS 5/2-1303 (West 2008)). Specifically, Martinez sought entry of judgment on the following amounts: (1) \$104,303.03 in net TTD benefits; (2) \$10,220.29 in medical expenses; and (3) interest at the judgment rate of 9% under section 2-1303 from the Commission's decision date until the payment date.

¶ 9 R.G. Construction filed a section 2-619(a)(1) motion to dismiss asserting in relevant part that its full payment in satisfaction of the final award barred entry of judgment and section 2-1303 post-judgment interest. Martinez responded that R.G. Construction only tendered

\$1,384.52 in medical expenses despite the claimed balance due of \$10,220.29 and section 2-1303 interest applies to unpaid award balances. The circuit court denied the motion to dismiss, ordered briefing on the petition and set the matter for a hearing.

¶ 10 After taking the case under advisement, the circuit court denied Martinez's petition and dismissed the matter finding that R.G. Construction tendered full payment of amounts due and that payment operated as a complete defense to the entry of judgment. Because Martinez was not entitled to judgment, the circuit court held that post-judgment interest under section 2-1303 was not warranted. Martinez timely appealed.

¶ 11 Martinez first claims that his petition should have been granted because the circuit court independently determined the amount of medical expenses due even though such an analysis is strictly prohibited when ruling on a section 19(g) petition. Martinez argues that the circuit court erroneously reduced the amount of medical expenses to \$1,384.52 from the outstanding balance of \$10,220.29. Because R.G. Construction's tender of medical expenses was not a tender of the full amount due under the Commission's final decision, Martinez contends the circuit court erred in denying his petition.

¶ 12 Under section 19(g), the circuit court has the authority to enter judgment in accordance with the Commission's decision provided the petitioner presents a certified copy of the decision to the court and no review proceedings are pending. *Ahlers v. Sears, Roebuck Co.*, 73 Ill. 2d 259, 264-65 (1978). Simply stated, section 19(g) provides a claimant with a statutory remedy to reduce an award of benefits to an enforceable judgment in the circuit court when an employer fails or refuses to pay a final award. *Estate of Burns v. Consolidated Coal Co.*, 2015 IL App (5th) 140503, ¶ 17. When presented with a section 19(g) petition, the circuit court's inquiry is limited to determining whether the statutory requirements have been met, and the court cannot

question the Commission's decision, even if it disagrees with the Commission's construction of the law. *Sunrise Assisted Living v. Banach*, 2015 IL App (2d) 140037, ¶ 28; *Paluch v. United Parcel Service, Inc.*, 2014 IL App (1st) 130621, ¶ 11; *Dratewska-Zator v. Rutherford*, 2013 IL App (1st) 122699, ¶ 21. "The only defense to a section 19(g) petition is full payment of the final award." *Estate of Burns*, 2015 IL App (5th) 140503, ¶ 20 (quoting *Dallas v. Ameren CIPS*, 402 Ill. App. 3d 307, 312 (2010)); *Sunrise Assisted Living*, 2015 IL App (2d) 140037, ¶ 28; *Voorhees v. Industrial Comm'n*, 31 Ill. 2d 330, 332 (1964).

¶ 13 The parties do not dispute that no review proceedings were pending and that Martinez submitted a certified copy of the Commission's decision to the circuit court satisfying section 19(g)'s statutory requirements. Likewise, Martinez does not claim that R.G. Construction failed to tender payment of TTD benefits in full. But the parties dispute whether R.G. Construction tendered full payment of medical expenses, which in turn is dispositive of whether Martinez's petition should have been granted. R.G. Construction claims that, in compliance with the Commission's decision, it tendered full payment in accordance with permitted negotiated amounts and fee schedule limits. Although his argument is not entirely clear, Martinez appears to claim that because R.G. Construction did not pay the amount billed by his medical providers, R.G. Construction did not tender full payment of the final award amount. The Act and record do not support Martinez's claim.

¶ 14 The Commission's decision provided that R.G. Construction "shall pay any outstanding amounts due to Petitioner's medical providers as documented in PX #6 *and as provided in Section 8(a) and 8.2 of the Act.*" (Emphasis added.) Contrary to Martinez's claims, the Commission did not award Martinez the outstanding balance of medical expenses totaling

\$10,220.29, but made the balance subject to reductions relating to negotiated rates as provided in section 8(a) and the fee schedule limits of section 8.2.

¶ 15 Section 8(a) governs medical expenses and provides that the payment amount is the (1) negotiated rate, if applicable; or (2) the lesser of (i) the health care provider's actual charges or (ii) according to a fee schedule, subject to section 8.2, in effect at the time the services were rendered. 820 ILCS 305/8(a) (West 2008); *Springfield Urban League v. Illinois Workers' Compensation Comm'n*, 2013 IL App (4th) 120219WC, ¶¶ 37, 38. Section 8.2(a) provides a fee schedule and the maximum allowable payments for medical services. 820 ILCS 305/8.2(a) (West 2008). Employers must adjust medical bills "to conform to the fee schedule found in section 8.2." *Tiburzi Chiropractic v. Kline*, 2013 IL App (4th) 121113, ¶ 10. Likewise, section 8.2(f) permits "an employer or insurer [to contract] with a health care provider or group of health care providers for reimbursement levels for benefits under this Act different from those provided in this section." 820 ILCS 305/8.2(f) (West 2008). But a medical services provider may not require a payment rate, exclusive of interest, for compensable medical procedures, treatments or services that exceeds the lesser of the actual charge or the payment level set by the Commission in the fee schedule. 820 ILCS 305/8.2 (e-20); *Kline*, 2013 IL App (4th) 121113, ¶ 12.

¶ 16 Martinez claims as unpaid medical expenses the difference between the billed amount and the amount R.G. Construction actually paid service providers based on negotiated amounts, fee schedule limits or adjustments. By asserting that the outstanding medical expense balance is \$10,220.29, Martinez incorrectly presumes that he was entitled to reimbursement for medical expenses equal to the provider's billed amount without any applicable reductions and regardless of the limitations provided for in sections 8(a) and 8.2. *Tower Automotive v. Illinois Workers' Compensation Comm'n*, 407 Ill. App. 3d 427, 437 (2011). But, as recognized by the

Commission, sections 8(a) and 8.2 permit reductions in the amounts billed by medical service providers.

¶ 17 Although the Commission's decision did not state a specific dollar amount of medical expenses, the decision specified how the amount should be calculated, *i.e.*, the outstanding balance reduced by any negotiated amounts ("savings") as provided for in section 8(a) and limited to the fee schedule amounts provided in section 8.2. See *Springfield Urban League*, 2013 IL App (4th) 120219WC, ¶ 39 (finding an award ordering the employer to "pay any unpaid, related medical expenses according to the fee schedule" complied with the Act's statutory mandate and there was no need to remand to compute the dollar amount owed per the medical fee schedule). R.G. Construction provided documentation supporting the reduction in the outstanding balance of medical expenses to account for negotiated rates, adjustments and fee schedule limits. In this case, the circuit court verified that the amount of medical expenses R.G. Construction tendered as payment adhered to the Commission's decision, but it did not independently analyze the amount of medical expenses for reasonableness or correctness, nor did it, as Martinez claims, reduce the amount of medical expenses to which the Commission determined he was entitled.

¶ 18 Moreover, subject to exceptions not applicable here, medical providers are statutorily prohibited from billing or otherwise attempting to recover from an injured employee the difference between the provider's charge and the amount paid by the employer. 820 ILCS 305/8.2(e) (West 2008). Thus, Martinez cannot claim that medical providers may seek payment from him of the difference between the billed amount (which is the \$10,220.29 he claims as unpaid medical expenses) and the amount paid to providers by R.G. Construction as a basis for an increased amount of reimbursed medical expenses. Here, the record establishes that R.G.

Construction paid in full the medical expenses in accordance with the Commission's decision and Martinez was not entitled to the medical providers' billed amounts as reimbursement for medical expenses. Consequently, R.G. Construction's full tender of medical expenses, as well as TTD benefits, bars entry of judgment.

¶ 19 Martinez's other claim of error is that trial court should have imposed section 2-1303 post-judgment interest on the unpaid benefits awarded in the Commission's decision. Martinez acknowledges that R.G. Construction paid interest at a rate of .05% under section 19(n) in accordance with the decision, but asserts he was entitled to the higher interest at a rate of 9% under section 2-1303 from the date the Commission enforced the arbitrator's award until R.G. Construction tendered payment. We disagree.

¶ 20 Section 2-1303 states:

"Judgments recovered in any court shall draw interest at the rate of 9% per annum from the date of the judgment until satisfied *** When *judgment is entered* upon any award, report or verdict, interest shall be computed at the above rate, from the time when made or rendered to the time of entering judgment upon the same, and included in the judgment. Interest shall be computed and charged only on the unsatisfied portion of the judgment as it exists from time to time. The judgment debtor may by tender of payment of judgment, costs and interest accrued to the date of tender, stop the further accrual of interest on such judgment notwithstanding the prosecution of an appeal, or other steps to reverse, vacate or modify the judgment." (Emphasis added.) 735 ILCS 5/2-1303 (West 2008).

¶ 21 A claimant in a workers' compensation case is entitled to section 2-1303 interest when the arbitrator's award or Commission's decision is reduced to an enforceable judgment. *Sunrise*

Assisted Living, 2015 IL App (2d) 140037, ¶¶ 32, 35. Where judgment is entered following the grant of a claimant's section 19(g) petition, interest may be properly awarded from the date of the arbitrator's award or Commission's decision through the judgment date and on any prospective payments due pursuant to the section 19(g) judgment. *Id.* ¶ 33. Contrary to Martinez's claim, nothing in section 2-1303 permits the imposition of interest where an enforceable judgment has not and will not be entered.

¶ 22 The cases Martinez relies on to support the award of section 2-1303 interest are readily distinguishable because post-judgment interest was awarded following the claimant's filing and the grant of a section 19(g) petition. *Bray v. The Industrial Comm'n*, 161 Ill. App. 3d 87, 90 (1987), *Ballard v. The Industrial Comm'n*, 172 Ill. App. 3d 41, 43 (1988). But the cases do not support Martinez's position that section 2-1303 interest may be imposed without the entry of a judgment. Indeed, this court in *Bray* explained the applicability of the two interest sections—19(n) and 2-1303—following section 19(n)'s enactment in 1975 and stated that "[n]othing in section 19(n) suggests a change in applicability of the present interest statute, section 2-1303, to judgments on Industrial Commission awards as opposed to the awards which are now covered in section 19(n)." *Bray*, 161 Ill. App. 3d at 93; see also *Ballard*, 172 Ill. App. 3d at 45.

Accordingly, in the absence of an enforceable judgment, section 19(n) provides the applicable rate of interest accruing from the date of the arbitrator's award.

¶ 23 Here, R.G. Construction's full payment of what was owed under the Commission's decision, including section 19(n) interest, before Martinez filed his section 19(g) petition and without entry of a judgment bars post-judgment interest under section 2-1303. *Sunrise Assisted Living*, 2015 IL App (2d) 140037, ¶ 32. Consequently, the circuit court did not err in finding that Martinez was not entitled to section 2-1303 interest.

¶ 24 Affirmed.