

DID WALMART EMPLOYEE WAIT TOO LONG TO FILE SUIT FOR DISABILITY BENEFITS?



A Walmart employee in Mississippi sustained a work-related injury and was awarded temporary disability benefits. But it was a later decision granting benefits for permanent disability that was the source of contention – she brought action against Walmart and the insurance carrier for nonpayment, whereas the companies claimed that her suit was time-barred. Way back in July 1997, the woman in question suffered a back injury while stocking shelves. The National Union Fire Insurance Company initially denied coverage, but in September 1999, an administrative judge awarded the employee ex post facto weekly benefits of \$187.01 from July 1998 to June 1999. The companies argued that the injury was not work-related, but a month after the judge's decision, the woman was paid a lump sum of \$9,649.29. At that time, the judge decided that it was premature to determine whether the employee would need permanent disability benefits. Meanwhile, the woman worked other jobs, suffered further injuries and eventually filed for additional benefits. In 2005, an administrative judge – not the same one from 1999 – deemed the woman totally and permanently disabled and awarded her weekly benefits. This time, the benefits were for the same amount per week but for a much longer period of time – 450 weeks, the maximum allowable amount by Mississippi law, starting on the day that she was injured. The award included any necessary medical expenses incurred due to the injury and gave credit for the companies' prior payment. The woman filed a complaint in state court in 2010, alleging that Walmart and National Union Fire had refused to pay benefits in 1999. She tried to prove her claim by showing that neither company had proffered evidence at the 1999 hearing for the initial denial of payment. The companies made a motion to dismiss, arguing that the lawsuit was well past 20 days of the 1999 order and was barred by Mississippi's three-year statute of limitations.



The plaintiff countered by stating that the statute of limitations did not begin until the Court of Appeals' 2009 mandate – an appeal from a Circuit Court's reversal of liability for some of the woman's medical expenses. She amended her complaint to assert that the companies "refused and continue to refuse" compensation "both before and after" the 1999 order. The district court granted the companies' motion to dismiss. On appeal, judges considered two reasons that the district court dismissed the case – the allegations with regard to the 1999 order were barred by the statute of limitations, and the amended complaint did not satisfy the "plausibility requirement" for pleadings. They argued that the statute of limitations commenced in 1999 because, at the time of the order, the woman was issued a monetary award, and the decision was, by law, finalized. The question of plausibility is from the amended complaint – it simply modified the wording of the initial claim to subvert the statute of limitations, and the "before and after" reference was too vague to specify any date for nonpayment and/or delays. According to appellate judges, the amended complaint failed to state a claim. It was for these reasons that the district court's dismissal was affirmed.