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### ***Sobczak v. Walmart Stores, Inc.: Vague Stipulation Language***

By Paige E. Martin

A recent decision from the WCCA serves as a good reminder to pay close attention to close out language in settlement agreements. Otherwise, interpretation of the agreement may be determined by the court.

On June 2, 2021, the WCCA issued its decision in *Sobczak v. Walmart Stores, Inc.*, No. WC21-6398 holding, in part, that a stipulation closing out “inpatient or outpatient chemical dependency treatment,” with no mention of closing out prescription medication, was ambiguous. The court held that a reasonable interpretation of the settlement language was that claims for prescription medication to address symptoms related to chemical dependency remained open.

In *Sobczak*, the Employee sustained a lumbar injury prior to her job with Walmart. She then reentered the workforce, accepted a job at Walmart, and sustained a second lumbar injury. Throughout the claim, the Employee underwent significant medical treatment for her injury. A compensation judge ultimately held that her injury with Walmart was a substantial permanent aggravation of her low back condition.

The parties subsequently entered into a full, final, and complete settlement closing future claims for certain medical benefits, including “inpatient or outpatient chemical dependency treatment.” The medical close out did not specifically mention or refer to prescription medications for symptoms related to chemical dependency.

On appeal, one of the issues before the WCCA was interpretation of the settlement language. The WCCA ultimately agreed with the compensation judge that the language addressing medical close outs in the Stipulation for Settlement was ambiguous. The WCCA held that it was reasonable to conclude that the settlement language that

closed claims for “chemical dependency treatment” referred to treatment programs rather than medication to address symptoms of chemical dependency. This conclusion was further supported by additional language in the settlement agreement that closed claims for prescription medication for psychological and psychiatric care. Similar language was not included when addressing “inpatient or outpatient chemical dependency treatment.”

An important lesson from the *Sobczak* decision is to look closely at the language and terms contained in a stipulation for settlement. This is especially important in settlements closing some, but not all, future medical care and treatment. Be specific about the types of future medical care and treatment, including medications, that are closed. Communicate clearly with your defense counsel regarding any treatment and/or prescription medications being paid or that have been suggested by treating physicians so those treatment modalities may be properly addressed in the settlement.

If you have questions about close-out language in stipulations or any workers’ compensation matter, please feel free to reach out to myself, or any of the attorneys here at Brown & Carlson. Additionally, if this is an urgent matter, please feel free to contact the Brown & Carlson Hotline at (855) 844.7070, as someone will always be available to answer your call.

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