1 Michael Blott, D.C. 17586 Via Loma Dr. 2 Poway, CA 92064 Telephone: 858-487-6940 3 Fax: 206-222-2691 4 WORKERS' COMPENSATION APPEALS BOARD 5 STATE OF CALIFORNIA 6 Bonnie Jackson,) WCAB Case No.: SDO 0345671 7 ANSWER TO PETITION FOR Applicant, 8 RECONSIDERATION 9 vs. 10 Standard Homeopathic Company; 11 State Compensation Insurance Company 12 Defendants 13 COMES NOW lien claimant, Michael Blott, D.C. and respectfully requests 14 that Defendant SCIF's petition be denied. 15

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- 1. Judge Udkovich was within her discretion to sanction SCIF for Bad Faith Litigation tactics: multiple failures to appear and failure to timely pay statutorily required amounts. The legislature specifically imparted this power to Workers' Compensation Administrative Law Judges in LC section 5813. If such an action is in excess of a WCALJ's powers, then the WCALJ would have no authority to control their own court room.
- 2. The evidence clearly supports the findings of fact. The evidence was entered at MSC and testimony was taken at trial. SCIF was even given the opportunity to object to submission. SCIF chose to be absent at the MSC. SCIF chose to be absent at Trial. SCIF did not object to submission of the case based on the evidence already entered on the

record. This valid evidence clearly supports Judge Udkovich's findings of fact.

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3. Judge Udkovich's Order, decision and award are completely supported by the findings of fact.

SCIF has made several misrepresentations concerning the facts of this case. On page 2, line 19, SCIF alleges that they received the bill for the 4/28/05 Panel QME Evaluation on 9/22/05. In truth, the bill was sent with the report on 5/25/05. The 5/25/05 proof of service includes a statement that the bill is attached to the report. SCIF also omits the fact that a lien was filed and served on SCIF on 8/7/06.

One page 3, line 24, SCIF alleges that bill for the date of service of 4/28/05 was paid within 32 days, an inadequate amount was paid on 10/26/05, see exhibit 1. SCIF's statement at page 3, line 24, is contradicted by their own admissions in their "Objection and Declaration," dated, 4/13/2007. On page 2, lines 19 through 21, attorney Gracia states: "As to lien claimant's claim of late payment, my review of the claim file shows that SCIF made payment in the amount of \$750.00 for date of service at issue on October 24, 2005, approximately five months after lien claimant submitted his bill." Emphasis added. Defendant SCIF made this admission under penalty of perjury. On page 4, line 1, SCIF states that the 5/25/05 proof of service was self signed. The proof of service was signed by my assistant, Gina Magnani. Also, on page 4, line 10 SCIF misrepresents the events of 3/5/2007, the date of the MSC. The Minutes of Hearing on page 5, lines 5 through 13, also show that SCIF was misrepresenting the payment history. On page 4, lines 3 through 12, SCIF alleges an attempt to resolve the underlying issues on 2/9/2007. SCIF never spoke with me on 2/9/2007.

SCIF has stated that the pursuit of payment of a lien is the cost of doing business. This may be true where defendant has a valid objection to the lien. SCIF has no valid objection, and never made an objection to the lien. SCIF simply chose to engage in Bad Faith Litigation Tactics by failing to pay the statutorily required amounts, failing to appear at hearings, and delaying and stalling in the hopes that they could avoid making the statutorily required payments for the Panel QME evaluation.

Lien claimant hereby objects to defendant SCIF's wrongful attempt to enter new evidence at this point. Lien claimant would be completely denied all due process to examine and rebut this evidence. It appears that SCIF is continuing to engage in Bad Faith Litigation tactics.

Judge Udkovich stated: "This sanction is imposed to encourage the defendant to cease its activity of ignoring hearing notices, ignoring the mandatory language of the Labor Code section 4622, and ignoring correspondence from the lien claimant such that that lien claimant was forced to file a Declaration of Readiness to obtain the attention of defendant, to obtain due process, and to ultimately secure payment of interest and penalty." These are proper purposes and the imposition of a sanction is clearly appropriate in this case.

SCIF is attempting to rely on their own "usual and customary business practices." Lien claimant is relying on the Laws of the State of California.

Lien claimant respectfully requests that Judge Udkovich's decision be upheld.

Dated: ______ Respectfully submitted,

Michael S. Blott, D.C.