

**FILED**

**AUG 31 2007**

OFFICE OF  
WORKERS' COMPENSATION JUDGE  
HELENA, MONTANA

Larry W. Jones  
Law Offices of Larry W. Jones  
Employees of Liberty Mutual Group  
700 SW Higgins Avenue, Suite 108  
Missoula, MT 59803-1489  
(406) 543-2420  
(800) 548-0731 (FAX)  
Attorney for Respondent/Insurer

**IN THE WORKERS' COMPENSATION COURT OF THE STATE OF MONTANA**

**WCC No. 2001-0300**

---

**CASSANDRA M. SCHMILL,**

**Petitioner,**

**v.**

**LIBERTY NORTHWEST INSURANCE CORP.,**

**Respondent/Insurer,**

**and**

**MONTANA STATE FUND,**

**Intervenor.**

---

**LIBERTY'S STATUS REPORT TO SPECIAL MASTER**

COMES NOW Liberty Northwest Insurance Corp., and pursuant to this *Court's Notice of Special Master's Request for Status*, submits the following status report regarding any unresolved legal issues and practice implementation issues. Liberty is aware that the common fund insurers have or will file a motion to stay implementation of this case pending the Supreme Court's decision in *Flynn*.

**UNRESOLVED LEGAL ISSUES RAISED IN CF INSURERS  
RESPONSE TO THE SUMMONS**

1. None.

**ADDITIONAL UNRESOLVED LEGAL ISSUES**

1. None.

DOCKET ITEM NO. 390

PRACTICAL IMPLEMENTATION ISSUES

1. Implementation at this time would require Liberty and its related insurers to conduct a burdensome search which the pending *Flynn* decision might render unnecessary. Alternatively, the *Flynn* decision might significantly alter the boundaries for a search. Therefore implementation at this time may result in Liberty being compelled to conduct two searches, one under the boundaries set forth in this Court's recent *Order Adopting Order of Special Master* and a second search under the boundaries established as result of the Supreme Court's decision in *Flynn*.

DATED this 31<sup>st</sup> day of August, 2007.

  
Larry W. Jones  
Attorney for Respondent/Insurer

CERTIFICATE OF SERVICE

I hereby certify that on the 31<sup>st</sup> day August, 2007, I served the original of the foregoing LIBERTY'S STATUS REPORT TO SPECIAL MASTER, by first-class mail, postage prepaid, on the following:

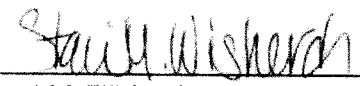
Ms. Clara Wilson, Clerk of Court  
Workers' Compensation Court  
PO Box 537  
Helena, MT 59624-0537

(also via e-mail, [jbockman@mt.gov](mailto:jbockman@mt.gov))

And a copy of the same to the following:

Ms. Laurie Wallace  
Bothe & Lauridsen, PC  
PO Box 2020  
Columbia Falls, MT 59912

(also via e-mail, [legalpad@digisys.net](mailto:legalpad@digisys.net))

  
Staci M. Wisherd, Legal Secretary II