

SUPREME COURT OF PENNSYLVANIA

Bowman v. Sunoco, Inc., 620 Pa. 28

65 A.3d 901 (Pa. 2013) · Decided April 25, 2013

SUMMARY

The Pennsylvania Supreme Court held that a workers' compensation disclaimer releasing claims against an employer's customers did not violate the public policy embodied in § 204(a) of the Pennsylvania Workers' Compensation Act. The disclaimer applied to third-party tort claims for injuries covered by workers' compensation and did not deprive the employee of workers' compensation benefits. The Court also rejected challenges based on the employer's waiver of subrogation rights and the release of claims arising after execution of the disclaimer.

CASE DETAILS

COURT	Supreme Court of Pennsylvania
WRITING FOR THE COURT	Justice Eakin; Chief Justice Castille; Justice Saylor; Justice Todd; Justice McCaffery; Justice Baer; Justice Orié Melvin
JURISDICTION	Pennsylvania
DECIDED	April 25, 2013
DISPOSITION	affirmed
PROCEDURAL POSTURE	Appeal from the Superior Court's order affirming the Philadelphia County Court of Common Pleas' grant of Sunoco's motion for judgment on the pleadings dismissing Bowman's negligence claim.
STANDARD OF REVIEW	Review of judgment on the pleadings is limited to whether the court committed an error of law or unresolved material facts remained. Well-pleaded allegations of the nonmoving party are accepted as true, and the scope of review over legal conclusions is plenary.
PRECEDENTIAL VALUE	Published precedential opinion of the Supreme Court of Pennsylvania.
PARTIES	Sabrina Bowman v. Sunoco, Inc.

TOPICS

workers compensation

statutory interpretation

contract interpretation

negligence

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether Pennsylvania Workers' Compensation Act § 204(a) invalidates a preinjury release of an employee's negligence claims against a third-party customer of the employer for injuries covered by workers' compensation.
2. Whether Allied's waiver of its statutory subrogation rights under § 319 violates the public policy underlying the Workers' Compensation Act.
3. Whether the disclaimer was invalid because it released claims that had not accrued when the disclaimer was signed.

HOLDINGS

1. Section 204(a) applies to agreements barring claims against an employer and does not invalidate a release of an employee's claims against a third-party customer for injuries covered by workers' compensation.
2. An employer may voluntarily waive its statutory workers' compensation subrogation rights, and such a waiver does not violate the public policy underlying the Act.
3. The disclaimer was not invalid merely because it was executed before the negligence claim accrued where the parties specifically contemplated future work-related injury claims against Allied's customers.

KEY QUOTATIONS

“Based on this history, we determine the legislature originally intended and presently intends the provisions of § 204(a) to apply only to agreements to bar a claim against an employer, and not to the circumstances of the case sub judice, as argued by appellant.” (at 908)

“As the Appeals Court of Massachusetts found in Horner v. Boston Edison Company, 45 Mass.App.Ct. 139, 695 N.E.2d 1093 (1998), the disclaimer here “extinguishes only the employee’s right to recover additional amounts as a result of a work-related injury for which the employee has already received workers’ compensation benefits.”” (at 910)

FACTUAL BACKGROUND

Sabrina Bowman worked as a private security guard for Allied Barton Security Services and signed a disclaimer releasing claims against Allied's customers for work-related injuries covered by workers' compensation. While assigned to provide security at a Sunoco refinery, she fell on snow or ice, sustained injuries, and received workers' compensation benefits. She subsequently sued Sunoco for negligence, contending that the disclaimer violated Pennsylvania public policy and improperly released a cause of action before it accrued.

PROCEDURAL HISTORY

Bowman, a security guard employed by Allied Barton Security Services, received workers' compensation benefits after falling on snow or ice at a Sunoco refinery. She then sued Sunoco for negligence, but Sunoco

relied on a preemployment Workers' Compensation Disclaimer releasing claims against Allied's customers for injuries covered by workers' compensation. The Court of Common Pleas granted judgment on the pleadings, the Superior Court affirmed, and the Supreme Court of Pennsylvania granted allowance of appeal and affirmed.

DISPOSITION

affirmed

CASES CITED

- Bowman v. Sunoco, Inc., 986 A.2d 883 (Pa. Super. 2009)
- Kidd-Parker v. Workers' Compensation Appeal Board (Philadelphia School District), 907 A.2d 33 (Pa. Commw. 2006)
- Pennsylvania Department of Banking v. NCAS of Delaware, LLC, 596 Pa. 638, 948 A.2d 752 (2008)
- Delaware County v. First Union Corporation, 605 Pa. 547, 992 A.2d 112 (2010)
- Barasch v. Pennsylvania Public Utility Commission, 516 Pa. 142, 532 A.2d 325 (1987)
- E.D.B. v. Clair, 605 Pa. 73, 987 A.2d 681 (2009)
- Department of Labor and Industry, Bureau of Workers' Compensation v. Workers' Compensation Appeal Board (Excelsior Insurance), 58 A.3d 18 (Pa. 2012)
- Sporio v. Workmen's Compensation Appeal Board (Songer Construction), 553 Pa. 44, 717 A.2d 525 (1998)
- Markle v. Workmen's Compensation Appeal Board (Caterpillar Tractor Company), 541 Pa. 148, 661 A.2d 1355 (1995)
- McKinney Manufacturing Corporation v. Workmen's Compensation Appeal Board, 9 Pa. Commw. 79, 305 A.2d 59 (1973)
- Fonner v. Shandon, Inc., 555 Pa. 370, 724 A.2d 903 (1999)
- Brubacher Excavating, Inc. v. Workers' Compensation Appeal Board (Bridges), 575 Pa. 168, 835 A.2d 1273 (2003)
- Dale Manufacturing Company v. Bressi, 491 Pa. 493, 421 A.2d 653 (1980)
- Winfree v. Philadelphia Electric Company, 520 Pa. 392, 554 A.2d 485 (1989)
- Henry Shenk Company v. City of Erie, 352 Pa. 481, 43 A.2d 99 (1945)
- Vaughn v. Didizian, 436 Pa. Super. 436, 648 A.2d 38 (1994)
- Restifo v. McDonald, 426 Pa. 5, 230 A.2d 199 (1967)
- Farrell v. Lechmanik, Inc., 417 Pa. Super. 172, 611 A.2d 1322 (1992)
- Buttermore v. Aliquippa Hospital, 522 Pa. 325, 561 A.2d 733 (1989)
- Nissley v. Candytown Motorcycle Club, Inc., 913 A.2d 887 (Pa. Super. 2006)
- Horner v. Boston Edison Company, 45 Mass. App. Ct. 139, 695 N.E.2d 1093 (1998)
- Edgin v. Entergy Operations, Inc., 331 Ark. 162, 961 S.W.2d 724 (1998)