

SUPREME COURT OF IOWA

Harvey v. Care Initiatives, Inc.

634 N.W.2d 681 (Iowa 2001) · No. No. 99-1074 · Decided October 10, 2001

SUMMARY

The Iowa Supreme Court held that an independent contractor has no tort cause of action for retaliatory termination under Iowa public policy based on reporting alleged violations at a health care facility. The court concluded that Iowa Code section 135C.46 protects residents and employees, but not independent contractors, and affirmed summary judgment for Care Initiatives, Inc.

CASE DETAILS

COURT	Supreme Court of Iowa
WRITING FOR THE COURT	Cady, Justice; Cady; Snell; Streit
JURISDICTION	Iowa
DECIDED	October 10, 2001
DOCKET	No. 99-1074
DISPOSITION	affirmed
PROCEDURAL POSTURE	Appeal from a district court order granting the defendant's motion for summary judgment on an independent contractor's claim for retaliatory termination in violation of public policy.
STANDARD OF REVIEW	Summary judgment rulings are reviewed for correction of errors at law.
PRECEDENTIAL VALUE	published precedential opinion
PARTIES	Teri Harvey v. Care Initiatives, Inc. d/b/a Fonda Care Center a/k/a Fonda Nursing and Rehab Center

TOPICS

- wrongful termination
- retaliation
- employment contracts
- employment at-will
- statutory interpretation

PRACTICE AREAS

- employment law
- contracts
- torts
- statutory interpretation
- health law

QUESTIONS PRESENTED

1. Whether Iowa's tort of wrongful discharge in violation of public policy extends to independent contractors.
2. Whether Iowa Code sections 135C.37 and 135C.46 establish a clear public policy protecting an independent contractor from retaliatory termination for reporting an alleged violation at a health-care facility.
3. Whether summary judgment was properly granted to Care Initiatives.

HOLDINGS

1. An independent contractor has no Iowa tort action for retaliatory termination of a contract under the allegations presented.
2. The public policy expressed in Iowa Code section 135C.46 does not protect independent contractors because the statute limits its anti-retaliation protection to a resident or an employee of the facility.
3. The district court properly granted summary judgment to Care Initiatives.

KEY QUOTATIONS

“We conclude there is no cause of action in Iowa for retaliatory discharge of an independent contractor for filing a complaint against a care facility.” (686)

“The district court properly granted summary judgment.” (686)

FACTUAL BACKGROUND

Harvey provided social-worker services to Care Initiatives, which operated a nursing home, under a written contract requiring twelve hours of work per week and allowing either party to terminate the agreement on thirty days' notice. Harvey acknowledged that she was an independent contractor and also had similar contracts with other nursing homes. After she opposed a smoking ban and allegedly complained to the Iowa Department of Inspections and Appeals about resident rights, Care Initiatives gave her written termination notice on the same day the department conducted a surprise inspection; she continued to be paid for the thirty-day notice period.

PROCEDURAL HISTORY

Harvey sued Care Initiatives after it terminated her written consulting contract and asserted a wrongful-termination claim based on alleged retaliation for reporting conditions at a nursing home. The district court granted Care Initiatives summary judgment, concluding that Harvey had no retaliatory-discharge claim because she was an independent contractor. The Supreme Court of Iowa affirmed.

DISPOSITION

affirmed

CASES CITED

- American Family Mutual Insurance Co. v. Allied Mutual Insurance Co., 562 N.W.2d 159, 163 (Iowa 1997)

- *Fitzgerald v. Salsbury Chem., Inc.*, 613 N.W.2d 275, 281-84 (Iowa 2000)
- *Springer v. Weeks & Leo Co.*, 429 N.W.2d 558, 560-61 (Iowa 1988)
- *Jones v. Lake Park Care Ctr., Inc.*, 569 N.W.2d 369, 377 (Iowa 1997)
- *Driveaway & Truckaway Serv., Inc. v. Aaron Driveaway & Truckaway Co.*, 781 F. Supp. 548, 551-52 (N.D. Ill. 1991)
- *Sistare-Meyer v. YMCA*, 58 Cal. App. 4th 10, 67 Cal. Rptr. 2d 840, 842, 844 (1997)
- *Ostrander v. Farm Bureau Mut. Ins. Co.*, 123 Idaho 650, 851 P.2d 946, 947 (1993)
- *New Horizons Elecs. Mktg., Inc. v. Clarion Corp.*, 203 Ill. App. 3d 332, 149 Ill. Dec. 5, 561 N.E.2d 283, 285-87 (1990)
- *Wilmington v. Harvest Ins. Cos.*, 521 N.E.2d 953, 956 (Ind. Ct. App. 1988)
- *MacDougall v. Weichert*, 144 N.J. 380, 677 A.2d 162, 166 (1996)
- *Birchem v. Knights of Columbus*, 116 F.3d 310, 315 (8th Cir. 1997)
- *McNeill v. Security Benefit Life Insurance Co.*, 28 F.3d 891, 893 (8th Cir. 1994)
- *Danco, Inc. v. Wal-Mart Stores, Inc.*, 178 F.3d 8, 13-14 (1st Cir. 1999)
- *Marquis v. City of Spokane*, 130 Wash. 2d 97, 922 P.2d 43, 51 (1996)
- *Kelsay v. Motorola, Inc.*, 74 Ill. 2d 172, 23 Ill. Dec. 559, 384 N.E.2d 353, 357 (1978)
- *T & K Roofing Co. v. Iowa Department of Education*, 593 N.W.2d 159, 162 (Iowa 1999)
- *State v. Pace*, 602 N.W.2d 764, 771 (Iowa 1999)
- *Kragel v. Wal-Mart Stores, Inc.*, 537 N.W.2d 699, 702 (Iowa 1995)
- *Mermigis v. Service-master Indus., Inc.*, 437 N.W.2d 242, 245 (Iowa 1989)
- *Iowa Mutual Insurance Co. v. McCarthy*, 572 N.W.2d 537, 542 (Iowa 1997)
- *Nationwide Mutual Insurance Co. v. Darden*, 503 U.S. 318, 322-23, 112 S. Ct. 1344, 1348, 117 L. Ed. 2d 581, 589 (1992)
- *State v. DeCamp*, 622 N.W.2d 290, 294 (Iowa 2001)
- *Rouse v. State*, 369 N.W.2d 811, 813 (Iowa 1985)