SUPREME COURT OF PENNSYLVANIA

Reifsnyder v. Workers' Compensation Appeal Board (Dana Corporation), 584 Pa. 341

883 A.2d 537 (2005) · Decided September 28, 2005

SUMMARY

The Supreme Court of Pennsylvania held that the average weekly wage of long-term employees subject to periodic economic layoffs must be calculated under Section 309(d) of the Pennsylvania Workers' Compensation Act. The court concluded that Section 309(d.2), which provides a prospective hourly-wage calculation, is intended primarily for recently hired employees lacking sufficient employment history. Accordingly, the court reversed the Commonwealth Court and held that layoff periods must be included in the Section 309(d) calculation.

CASE DETAILS

COURT	Supreme Court of Pennsylvania
WRITING FOR THE COURT	Justice Castille; Chief Justice Cappy; Justice Nigro; Justice Newman; Justice Saylor; Justice Eakin; Justice Baer
JURISDICTION	Pennsylvania
DECIDED	September 28, 2005
DISPOSITION	reversed
PROCEDURAL POSTURE	Dana Corporation appealed the Commonwealth Court's reversal and remand of Workers' Compensation Judge and Workers' Compensation Appeal Board decisions concerning the calculation of claimants' average weekly wages.
STANDARD OF REVIEW	The court reviews workers' compensation adjudications for errors of law, constitutional violations, procedural violations by the agency, and findings unsupported by substantial evidence. Because the facts were stipulated and the issue was statutory interpretation, review was plenary.
PRECEDENTIAL VALUE	Published precedential opinion of the Supreme Court of Pennsylvania
PARTIES	Dana Corporation v. Jeffrey Reifsnyder, Dennis Remp, Richard Hoffa, Workers' Compensation Appeal Board

TOPICS

workers compensation | statutory interpretation | plain meaning rule | administrative law

PRACTICE AREAS

workers compensation | employment law | administrative law | statutory interpretation

QUESTIONS PRESENTED

1. Whether the average weekly wage of long-term employees subject to periodic economic layoffs should be calculated under Section 309(d) of the Pennsylvania Workers' Compensation Act by averaging wages from the highest three of the preceding four thirteen-week periods.
2. Whether Section 309(d.2), which uses an hourly wage multiplied by expected weekly hours, applies when long-term employees did not actually work a complete thirteen-week period because of periodic layoffs.
3. Whether unemployment compensation received during economic layoffs must be included in the average weekly wage calculation.

HOLDINGS

1. Section 309(d), rather than Section 309(d.2), controls the calculation of average weekly wages for long-term employees who maintain an ongoing employment relationship but experience periodic economic layoffs during the fifty-two-week look-back period. The periods during which the claimants received no wages because of layoffs must be included in the Section 309(d) computation.
2. An employee's failure to work during an economic layoff does not necessarily terminate the employee's employment relationship for purposes of Section 309(d).
3. Unemployment compensation benefits received during economic layoffs are not required to be included in the average-weekly-wage calculation under Section 309(d).

KEY QUOTATIONS

> *"The structure of the statute strongly indicates that subsection (d.2) was not intended to apply to employees, such as Claimants here, with long-term employment relationships with their employer, who happen to have been subject to layoffs."* (883 A.2d at 547)

> *"The Workers' Compensation system operates to insure a worker against the economic effects of a workplace injury, not against the economic effects of variations in the business cycle."* (883 A.2d at 548)

> *"Accordingly, we reverse the order of the Commonwealth Court."* (883 A.2d at 549)

FACTUAL BACKGROUND

Jeffrey Reifsnyder and Richard Hoffa had worked for Dana Corporation for approximately nineteen years, and Dennis Remp for approximately fifteen years. Each maintained a continuing employment relationship under a collective bargaining agreement but experienced periodic economic layoffs during each of the four thirteen-week periods preceding the relevant work injury. During the layoffs, the claimants retained employment-related benefits and seniority, and they later returned to work for Dana.

PROCEDURAL HISTORY

The Workers' Compensation Judge determined that the claimants' average weekly wages should be calculated under Section 309(d) of the Pennsylvania Workers' Compensation Act, including periods during which they were laid off. The Workers' Compensation Appeal Board affirmed. The Commonwealth Court reversed and remanded, concluding that Section 309(d.2) applied because none of the claimants had worked a complete thirteen-week period during the relevant year. The Supreme Court of Pennsylvania granted further review and reversed the Commonwealth Court.

DISPOSITION

reversed

CASES CITED

- Hannaberry HVAC v. Workers' Compensation Appeal Board (Snyder, Jr.), 575 Pa. 66, 834 A.2d 524 (2003)
- Colpetzer v. Workers' Compensation Appeal Board (Standard Steel), 870 A.2d 875 (Pa. 2005)
- Triangle Building Center v. Workers' Compensation Appeal Board (Linch), 560 Pa. 540, 746 A.2d 1108 (2000)
- Peterson v. Workmen's Compensation Appeal Board (PRN Nursing Agency), 528 Pa. 279, 597 A.2d 1116 (1991)
- Harper & Collins v. Workmen's Compensation Appeal Board (Brown), 543 Pa. 484, 672 A.2d 1319 (1996)
- Reifsnyder v. Workers' Compensation Appeal Board (Dana Corp.), 826 A.2d 16 (Pa. Cmwlth. 2003)
- Bethlehem Structural Products v. Workers' Compensation Appeal Board (Vernon), 789 A.2d 767 (Pa. Cmwlth. 2001)
- Colpetzer v. Workers' Compensation Appeal Board (Standard Steel), 802 A.2d 1233 (Pa. Cmwlth. 2002), aff'd, 870 A.2d 875 (Pa. 2005)
- Port Authority of Allegheny County v. Workers' Compensation Appeal Board (Cooley), 773 A.2d 224 (Pa. Cmwlth. 2001)
- Norton v. Workers' Compensation Appeal Board (Norton), 764 A.2d 704 (Pa. Cmwlth. 2000)

Retrieved from lawtools.ai · https://lawtools.ai/cases/state/pennsylvania-supreme-court-of-pennsylvania/2005/reifsnyder-v-workers-compensation-appeal-board-dana-i2m7c8a0