

SUPREME COURT OF PENNSYLVANIA

Roberta Taylor, Individually and as Executrix for the Estate of
Robert Lee Taylor, Deceased v. Byrne Solberg, M.D., et al.

566 Pa. 150 (Pa. 2001) · Decided September 4, 2001

SUMMARY

The Pennsylvania Supreme Court held that non-settling defendants could invoke a clear and unambiguous provision in a joint tortfeasor release reducing the plaintiff's recoverable damages by the greater of the settlement consideration or the settling tortfeasor's pro rata share of fault. The court affirmed reduction of the plaintiff's \$84,000 verdict to zero because the settlement payment was \$150,000. The decision distinguished prior cases involving releases that did not expressly benefit non-settling defendants.

CASE DETAILS

COURT	Supreme Court of Pennsylvania
WRITING FOR THE COURT	Justice Nigro; Chief Justice Flaherty; Justice Zappala; Justice Cappy; Justice Castille; Justice Saylor
JURISDICTION	Pennsylvania
DECIDED	September 4, 2001
DISPOSITION	affirmed
PROCEDURAL POSTURE	Appellant sought review of a Superior Court decision affirming a trial court's reduction of a malpractice verdict to zero based on the terms of a settlement release with a settling joint tortfeasor. The Supreme Court of Pennsylvania granted allocatur.
STANDARD OF REVIEW	The scope of review was plenary because the issue was one of law; the lower court's ruling was reviewed for abuse of discretion or error of law.
PRECEDENTIAL VALUE	Published, precedential decision of the Supreme Court of Pennsylvania.
PARTIES	Roberta Taylor, individually and as executrix for the Estate of Robert Lee Taylor, Deceased v. Byrne Solberg, M.D., Gerald E. Dworkin, D.O., Edmund T. Delguericco, M.D., Fitzgerald Mercy Hospital, Mercy Catholic Medical Center, Joseph V. Smiley, M.D., Jerry W. Hubsher, M.D., Donald Powers, M.D., Allen E. Meyer, M.D., Nephrology

TOPICS

professional negligence

contract interpretation

remedies

comparative fault

appellate procedure

PRACTICE AREAS

professional negligence

torts

contracts

remedies

appellate procedure

QUESTIONS PRESENTED

1. Whether non-settling defendants may invoke a clear and unambiguous provision in a joint tortfeasor release reducing the plaintiff's recovery by the greater of the settlement consideration or the settling tortfeasor's pro rata share of liability.
2. Whether the release's reduction provision controlled despite the non-settling defendants' not being parties to the release and despite Pennsylvania decisions favoring a plaintiff in certain settlement windfall situations.

HOLDINGS

1. Non-settling defendants are entitled to invoke a clear and unambiguous provision in a release that reduces the plaintiff's recoverable damages by the greater of the settlement consideration paid by the settling tortfeasor or that tortfeasor's pro rata share of liability.
2. The verdict was properly reduced to zero because the \$150,000 settlement consideration exceeded both the appellees' \$16,800 apportioned share and the \$84,000 total verdict.

KEY QUOTATIONS

“Based on the plain meaning of the language in the Release, we hold that Appellees were entitled to invoke the Release provision that reduced Appellant's recovery by the greater of the consideration paid by CDC for the release or CDC's pro rata share of fault.” (778 A.2d at 670)

“However improvident the release may be or subsequently prove to be for either party, their agreement, absent fraud, accident or mutual mistake, is the law of their case.” (778 A.2d at 667)

FACTUAL BACKGROUND

Robert Taylor had end-stage renal disease and received dialysis treatments at Community Dialysis Services beginning October 3, 1990. CDC used a dialysate pump containing aluminum parts, contaminating the dialysis solution and causing Taylor to suffer aluminum toxicity. Before trial, Taylor's executrix settled with CDC for \$150,000 under a release providing that any recovery against non-released parties would be reduced by the greater of the settlement consideration or CDC's pro rata share of fault. A jury later awarded \$84,000 and allocated 20% negligence to the remaining defendants and 80% to CDC.

PROCEDURAL HISTORY

Taylor settled with Community Dialysis Services for \$150,000 before trial and reserved claims against the remaining defendants. After trial, the jury awarded \$84,000 and allocated 20% negligence to the appellees and 80% to CDC. The trial court reduced the verdict to zero under the release's greater-of provision, and the Superior Court affirmed. The Supreme Court affirmed the Superior Court.

DISPOSITION

affirmed

CASES CITED

- Republic Insurance Co. v. Paul Davis Systems of Pittsburgh South, Inc., 543 Pa. 186, 670 A.2d 614 (1995)
- Buttermore v. Aliquippa Hospital, 522 Pa. 325, 561 A.2d 733 (1989)
- Charles v. Giant Eagle Markets, Inc., 513 Pa. 474, 522 A.2d 1 (1987)
- Baker v. ACandS, Inc., 562 Pa. 290, 755 A.2d 664 (2000)
- Phillips v. A-Best Products Co., 542 Pa. 124, 665 A.2d 1167, 1170 (1995)
- Walton v. Avco Corp., 530 Pa. 568, 610 A.2d 454 (1992)