

## Court of Common Pleas of Monroe County Addresses Standards For Arbitration Agreements in Context of Nursing Home Wrongful Death Case

In the case of *Santiago v. Whitestone Health Care Group, LLC*, No. 5281 Civil 2015, Judge David J. Williamson of the Monroe County Court of Common Pleas, addressed a nursing home's preliminary objections to a plaintiffs' complaint for lack of jurisdiction pursuant to an arbitration agreement signed by the administrator to the decedent's estate. The defendants specifically requested that the plaintiffs' wrongful death action be stayed pending the completion of arbitration. Judge Williamson overruled the defendants' objections on three separate grounds, effectively nullifying the arbitration agreement and allowed the proceedings to go forward.

First, the preliminary objections were overruled for the defendants' failure to establish that the administrator, while admittedly a party to the action, had authority to bind the plaintiff's decedent. The plaintiff's decedent did not sign the arbitration agreement due to a lack of capacity and therefore the administrator, who was the plaintiff's daughter, signed as "Authorized Representative." However, on the arbitration agreement form the administrator left the area requesting the signer to "indicate relationship/authority" blank. As such, the Court found that there were no facts to establish that the administrator had the authority to bind the plaintiff's decedent to the arbitration agreement, as no agency relationship existed between them.

The Court next held that pursuant to well-established Pennsylvania Superior Court case law, even if the arbitration agreement were "validly binding," the trial court retains jurisdiction in wrongful death matters because they do not become actionable until after the decedent's death, with beneficiaries of such an action who were not party to the arbitration agreement. Lastly, Judge Williamson found that the agreement was unconscionable and therefore void and inapplicable to this matter. Specifically, it was "unreasonably favorable" to the defendants as, among other things, (1) there was no evidence that the plaintiff's decedent knew of the agreement, including the waiver of rights sections, (2) the agreement was signed by the plaintiff's daughter (also the administratrix of the estate) during the hospital admission at issue, and (3) unspecified costs were to be paid by the party seeking arbitration, which section also sought waiver of claims for punitive damages.

**Comment:** Judge Williamson's opinion highlights the disfavor some Pennsylvania Courts have shown towards arbitration agreements that can be viewed as highly favorable to one side, especially where the agreement provides for waiver of an individual's right to sue in court or other restrictive limitations. This can especially be true in the context of nursing home claims. It is important to ensure that all forms are completely filled out (by those with authority to do so) and are narrowly tailored to accomplish the goal of getting the matter into arbitration without risk of nullification.