



TO: The Honorable Members of the Pennsylvania Senate

FROM: Alex Halper, Director, Government Affairs

DATE: June 14, 2021

RE: Support S.B. 319 – Addressing workers’ compensation *Whitmoyer* court decision

On behalf of the PA Chamber I urge support for S.B. 319 to address a workers’ compensation court decision known *Whitmoyer* and help employers avoid cost increases. We understand the Senate may consider the bill this week.

Since the inception of workers’ compensation in 1915 employers have been eligible for reimbursement of certain expenses if a third party is found liable for the injury. “Subrogation” rights hold negligent third-parties accountable and mitigate the impact on non-negligent employers. This process has also always allowed employers to offset future wage-loss and medical costs if the third-party recovery exceeds the compensation paid by the employer.

However, PA Supreme Court found in its 2018 *Whitmoyer* decision that the ability to offset future costs only applied to wage-loss benefits, not medical expenses. The court did not object to the concept of subrogation applying to both future wage and medical benefits, but simply raised a technicality with language in the law. This decision disrupted a 100-year standard for this process, leading to increased costs for Pennsylvania employers.

S.B. 319 makes the technical change to address *Whitmoyer* and we urge you to support the bill. Please contact Alex Halper at ahalper@pachamber.org or 717-720-5471 with any questions.