



TO: The Honorable Members of the Pennsylvania House of Representatives

FROM: Alex Halper, Director, Government Affairs

DATE: May 24, 2022

RE: Support H.B. 922 – Help employers avoid higher workers comp costs

On behalf of the PA Chamber I urge support for H.B. 922 to address a workers' compensation court decision known *Whitmoyer* and help employers avoid cost increases. We understand the House 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 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, in a surprise 2018 decision, the PA Supreme Court found that employers could only offset future wage-loss benefits, not medical expenses. The court did not object to the concept but simply raised a technicality with the language. This decision disrupted a 100-year standard for the process of subrogation, leading to increased costs for Pennsylvania employers.

H.B. 922 makes the technical change to address *Whitmoyer* and we urge you to support the bill. Please contact Alex Halper at [ahalper@pachamber.org](mailto:ahalper@pachamber.org) or 717-720-5471 with any questions.