

Craddock Helps Secure Victory for Defendants at North Carolina Court of Appeals

NEWS | APRIL 7, 2016

Angela Farag Craddock helped to secure a victory for the defendants in a workers' compensation matter recently decided in a published opinion of the North Carolina Court of Appeals. On appeal, she represented a healthcare support services provider, Crothall Services Group, who contracted to provide cleaning services for several Novant hospital facilities. The service agreement between Crothall and Novant specified that Crothall was solely responsible for compensating, hiring, training, managing and directing the personnel provided to perform the contracted cleaning services for each Novant facility, and that such personnel would be considered Crothall's employees.

The plaintiff was a Crothall employee performing cleaning services at a Novant hospital. She fell in the Novant hospital's parking lot during her lunch break. Although injuries suffered while "going and coming" to work are generally considered to be outside the course and scope of employment, there is an exception making such injuries compensable for employees injured in parking lots owned and controlled by the employer. The Industrial Commission denied plaintiff's claim for workers' compensation benefits from Crothall after it concluded her injury was not suffered during the course and scope of her employment with Crothall, as the lunch-break injury did not occur on Crothall's premises. The Commission also denied plaintiff's claim for workers' compensation benefits from co-defendant Novant, concluding plaintiff failed to prove she was an "employee" under an implied contract of employment with Novant.

On appeal to the North Carolina Court of Appeals, plaintiff alleged she was employed by both Crothall and Novant at the same time, making both defendants jointly liable for her off-duty injury suffered on Novant's premises. Relying heavily on the express terms of the service agreement between Crothall and Novant, the Court drew from common law contract principles and its prior decisions in civil court matters to reject plaintiff's arguments under both the "joint employment doctrine" and "lent employee doctrine," and affirmed the Industrial Commission's denial of compensation.

For North Carolina businesses contracting to provide or retain service personnel, the Court's decision offers valuable guidance that a well-crafted service contract is one of the best defenses to unanticipated workers' compensation liability based upon allegations of joint employment. A copy of the Court's decision can be read [here](#).

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