

Aberdeen White v. Hugh Chatham Memorial Hospital, Inc.

97 N.C. App. 130; 387 S.E.2d 80; 1990 N.C. App. LEXIS 31

March 14, 1989, Heard in the Court of Appeals

January 16, 1990, Filed

PROCEDURAL POSTURE:

Case was appealed by plaintiff after ruling for defendant by Brown, Frank R., Judge by order of summary judgment.

FACTS:

In January 1983, defendant introduces a personnel policies handbook, which states that any employee who becomes disabled while employed full-time with the defendant, will be allowed to keep his or her group medical benefits. Plaintiff has been a full-time employee of the defendants, from March 1951 - until December 1985, when she was discharged due to a disabling illness. Defendant's group carrier does not allow disabled former employees to continue coverage under the same plan mentioned in the personnel policies handbook. Defendant denies that it is legally bound to make medical coverage available to the plaintiff.

ISSUE:

Did defendant breach contract after denying plaintiff the medical coverage that it promised in its personnel policies handbook?

RULE OF LAW:

17 C.J.S *Contracts* Sec. 8 pp 578-579 (1963)

Brooks v. Carolina Telephone and Telegraph Co., 56 N.C. App 801, 290 S.E.2d 370 (1982)

Roberts v. Mays Mills, Inc. 184 N.C. 406, 114 S.E. 530 (1922)

HOLDING:

The court finds for the plaintiff.

REASONING:

The Courts decision is based on the fact that contrary to defendants and lower courts belief that the contract was bilateral in nature it was indeed a unilateral contract and was to be treated as such because (1) defendant promised coverage to full-time

employees who become disabled while employed with the defendant, (2) the plaintiff showed acceptance by continuing to be employed full-time with the defendant at the time of disability, (3) defendant could have withdrawn that promise prior to plaintiff becoming disabled and (4) the defendant failed to do so.

CONCLUSION / DISPOSITION:

The court found that the defendant did breach contract and is obligated to pay the difference between plaintiffs substitute medical coverage and the cost of the defendants group coverage. Affirmed in part; reversed in part; and remanded.