

By Emily Sachar

■ **The issue:** Can mandatory arbitration clauses in nursing home contracts be waived?

When she entered a Baltimore nursing home in 2006 after suffering a stroke, Beulah Addison, 84, did not envision having any disputes with the facility.

But the contract she signed with the FutureCare-Lochearn Nursing Home required that disagreements over “professional services” or “health care” be decided by outside arbitrators.



Soon Addison and FutureCare did have a dispute, and her claim that she should not be forced into arbitration has reached the highest appellate court in Maryland.

Most people seeking nursing home admission must deal with a lengthy, complicated contract. Many facilities include provisions requiring that residents and their families accept binding arbitration and forgo use of the court system to resolve a wide range of disputes.

“People simply sign away their rights without realizing what they’re doing,” said attorney Paul Bland, who argued Addison’s case before the Maryland Court of Ap-

peals in April. Kelly Bagby, senior attorney with AARP Foundation Litigation, added, “The nursing home admission process is so difficult and emotional that issues like mandatory arbitration, buried in the fine print, are usually not understood, if even noticed.”

An attorney for the nursing home, Natalie Drinkard, said that FutureCare never forced

Addison to sign the arbitration agreement. She said that nearly half the home’s patients decline to do so.

FutureCare’s dispute with Addison involved her failure to pay a \$70,000 nursing home bill. Addison charged that the nursing home had introduced her to a con artist whose scam involved the sale of her house, which was worth about \$100,000. When FutureCare forced the dispute to binding arbitration, Addison tried to legally block it. She won initially, but lost on appeal, setting up the Court of Appeals arguments.

Meanwhile, AARP is urging Congress to make binding arbitration clauses in nursing home contracts illegal.

■ **What it means to you:** If you or a family member is entering a nursing home or assisted living center, do not sign papers that require mandatory arbitration in the event of a dispute. Ask that any arbitration provisions be stricken from the contract. □

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