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Strict Compliance with UM/UIM Stacking Waiver Signature Requirements is Necessary to Protect Insurers' Interests

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It is common knowledge that Uninsured (UM) coverage and Underinsured Motorist's (UIM) is generally stacked, but that such stacking can be waived. 75 Pa.C.S. § 1738(c). Pennsylvania's Motor Vehicle Financial Responsibility Law ("MVFRL") specifies that if an insurer does not obtain a valid stacking waiver, UM/UIM coverage is deemed stacked. 75 Pa.C.S. § 1738(a), (b). Ensuring compliance with the regulations and common law surrounding such waivers should be a priority for insurers, lest they be required to provide larger, stacked coverage limits even if premiums are calculated on the assumption of unstacked coverage. We previously analyzed [UM/UIM stacked coverage requirements](#) relating to a purchase of a new vehicle.



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In January 2020, the Schuylkill County, Pennsylvania Court of Common Pleas examined another requirement of stacked coverage waivers, namely who must sign the waiver. In the Schuylkill County case, [Rodriguez v. Pennsylvania National Mutual Casualty Insurance Company](#), plaintiff Melissa Rodriguez purchased insurance coverage for herself and her husband, Jose, through Penn National. No. S-203-16 (Com. Pleas Schuylkill Cty. Jan. 14, 2020). Although Jose was listed as the first named insured on the policy, Melissa signed all the paperwork, including the Underinsured Motorist Coverage Selection/Rejection Form, rejecting stacking. She was later involved in an accident in which she was a pedestrian, and the tortfeasor's insurance policy was inadequate to cover her injuries, so she filed a UIM claim with Penn National. Penn National offered Melissa her unstacked UIM policy limits, and Melissa claimed she was entitled to stacked policy limits.

The Court considered whether Melissa's signature on the waiver form was

sufficient to enforce unstacked coverage. The MVFRL specifically states that the first named insured on the policy must sign the waiver. 75 Pa.C.S. § 1738(d), (e). As discussed above, Jose, not Melissa, was the first named insured. The Court found that because the MVFRL language was "plain and unambiguous, the rules of statutory construction do not permit courts to ignore the plain meaning of the words" and accept Melissa's signature in *lieu* of the signature of the first named insured. Since the waiver did not comply with the requirements of the MVFRL, the Court found the waiver form was void, stacking was not waived, and Melissa was entitled to stacked coverage. The Court made this ruling despite an Eastern District of Pennsylvania suit in which that court determined a husband could sign for his wife, the named insured, under a theory of agency. State Farm Mut. Auto. Ins. Co. v. Gilroy, No. 94-3427, 1994 WL 719628 (E.D.Pa. Dec. 22, 1994).

Rodriguez is a non-precedential decision, however, it illustrates the importance of strict compliance with the MVFRL. Insurers should verify the first named insured, and no other, signs the stacking waiver forms.

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