

STATE OF SOUTH CAROLINA

IN THE COURT OF COMMON PLEAS

COUNTY OF YORK

Case No. 2025-CP-46-04373

Jacqueline Gibbs as Power of Attorney  
for Bonnie J. Hunter,

Plaintiff,

vs.

THI of South Carolina at Rock Hill, LLC  
d/b/a Magnolia Manor – Rock Hill and  
THI of South Carolina, LLC,

Defendants.

**ORDER DENYING DEFENDANT THI OF  
SOUTH CAROLINA AT ROCK HILL  
LLC’S MOTION TO STAY ACTION AND  
COMPEL ARBITRATION AND  
DEFENDANT THI OF SOUTH**

**RECEIVED**

**May 18 2026**

**SC Court of Appeals**

This matter came before the Court on Defendant THI of South Carolina at Rock Hill, LLC’s (“THI”) Motion to Stay Action and Compel Arbitration. A hearing was held on March 31, 2026. The Court considered the parties’ written submissions and the arguments of counsel. For the reasons set forth below, THI’s motion is **DENIED**.<sup>1</sup>

**FACTS**

Plaintiff alleges Bonnie J. Hunter was admitted to Magnolia Manor – Rock Hill (the “Facility”), at which time admission documents were executed by her daughter, Jacqueline Gibbs. These documents included an Admission Agreement governing care and financial obligations, as well as a separate Arbitration Agreement purporting to require arbitration of disputes.

---

<sup>1</sup> THI of South Carolina, LLC also filed a motion to stay Plaintiff’s claims against it pending resolution of THI’s motion to compel arbitration. In light of the Court’s ruling denying compelling arbitration, the motion to stay is dismissed as moot.

Plaintiff's claims in this action arise out of the care and treatment provided to Ms. Hunter at the Facility, including allegations that she developed a Stage IV sacral pressure injury and continues to suffer from that condition and require ongoing treatment.

The Arbitration Agreement is a standalone document with its own title and signature page and was not a condition of admission to the Facility. It is further undisputed that Ms. Gibbs did not possess a power of attorney or guardianship at the time of execution. The Court further finds that the record contains no evidence that Ms. Gibbs otherwise possessed legal authority to bind Ms. Hunter. There is no evidence that Ms. Hunter made any representation that Ms. Gibbs was authorized to waive her legal rights or agree to arbitration on her behalf. THI nevertheless contends Ms. Hunter is bound to arbitrate her claims through principles of agency, merger, and equitable estoppel.

## LEGAL ANALYSIS

### **I. No Valid Agreement to Arbitrate Exists.**

A party seeking to compel arbitration bears the burden of establishing the existence of a valid and enforceable arbitration agreement. *Aiken v. World Finance Corp. of S.C.*, 373 S.C. 144, 149, 644 S.E.2d 705 (2007). Where the existence of such an agreement is disputed, the Court must determine whether a valid agreement was formed under ordinary principles of South Carolina contract law. While arbitration agreements are governed by the Federal Arbitration Act, the presumption in favor of arbitration applies only after a valid agreement has been established. 9 U.S.C. § 4.

Under South Carolina law, a contract requires mutual assent. *Towles v. United Healthcare Corp.*, 338 S.C. 29, 37 (Ct. App. 1999). Ms. Hunter did not sign the Arbitration

Agreement and made no manifestation of assent. Accordingly, THI must establish that Ms. Gibbs had authority to bind her.

Because Ms. Hunter did not sign the Arbitration Agreement, THI can prevail only if it establishes a valid basis to bind her through agency or other contract principles. As set forth below, THI fails to establish agency, merger, or equitable estoppel. Each of these failures independently precludes enforcement of the Arbitration Agreement. This conclusion is consistent with *Estate of Solesbee v. Fundamental Clinical & Operational Services, LLC*, 438 S.C. 638, 885 S.E.2d 144 (Ct. App. 2023), which likewise held that no enforceable arbitration agreement exists where the resident did not sign and no authority was established.

## **II. THI Has Not Established Agency.**

THI has not established actual authority, as there is no evidence of a power of attorney, guardianship, or other legal designation. Nor has THI established apparent authority. Apparent authority must arise from the conduct of the principal, not the purported agent. *Hodge v. UniHealth Post-Acute Care of Bamberg, LLC*, 422 S.C. 544, 560–61, 813 S.E.2d 292 (Ct. App. 2018).

There is no evidence that Ms. Hunter represented that Ms. Gibbs had authority to waive her legal rights or agree to arbitration. South Carolina courts have consistently rejected the argument that a family member's participation in admission creates authority to bind a resident to arbitration. See *Hodge*, 422 S.C. at 573–74; *Thompson v. Pruitt Corp.*, 416 S.C. 43, 55–56, 784 S.E.2d 679 (Ct. App. 2016); see also *Solesbee*, 438 S.C. at 646–47, 885 S.E.2d at 148 (rejecting agency where no manifestation from the resident).

The Court further finds that any authority to assist with admission or make health care decisions does not extend to the waiver of a resident's right to a jury trial through arbitration.

### **III. The Admission Agreement and Arbitration Agreement Do Not Merge.**

THI's merger argument fails under controlling South Carolina law. The Supreme Court and Court of Appeals have consistently held that admission agreements and arbitration agreements do not merge where they are separate, optional, and independently executed. *Coleman v. Mariner Health Care, Inc.*, 407 S.C. 346, 355, 755 S.E.2d 450 (2014); *Thompson v. Pruitt Corp.*, 416 S.C. 43, 52–53, 784 S.E.2d 679 (Ct. App. 2016); *Hodge v. UniHealth Post-Acute Care of Bamberg, LLC*, 422 S.C. 544, 562–63, 813 S.E.2d 292 (Ct. App. 2018).

The THI Admission Agreement and Arbitration Agreement at issue here are the same form agreements addressed in *Estate of Solesbee v. Fundamental Clinical & Operational Services, LLC*, 438 S.C. 638, 885 S.E.2d 144 (Ct. App. 2023). In *Solesbee*, the Court of Appeals held that those agreements do not merge where, as here, the arbitration agreement is separately executed, not required for admission, and serves a distinct purpose from the admission agreement.

Consistent with that authority, the Court finds that the Arbitration Agreement—executed as a separate document and not required for admission—does not merge with the Admission Agreement. Accordingly, THI cannot rely on the Admission Agreement to supply authority or benefits necessary to enforce the Arbitration Agreement.

#### **IV. Equitable Estoppel Does Not Apply.**

Because the agreements do not merge, the benefits of admission cannot be attributed to the Arbitration Agreement. Accordingly, THI's equitable estoppel argument fails.

The benefits received by Ms. Hunter—care, housing, and treatment—flow from the Admission Agreement, not the Arbitration Agreement. South Carolina courts have repeatedly held that admission to a facility does not constitute a direct benefit sufficient to support estoppel as to a separate arbitration agreement. *Thompson*, 416 S.C. at 59–60; *Hodge*, 422 S.C. at 563; *Solesbee*, 438 S.C. at 649, 885 S.E.2d at 149 (rejecting equitable estoppel where benefits arise from the admission agreement rather than the arbitration agreement).

#### **V. *Solesbee* and Subsequent Authority Are Controlling.**

This case is governed by *Estate of Solesbee v. Fundamental Clinical & Operational Services, LLC*, 438 S.C. 638, 885 S.E.2d 144 (Ct. App. 2023), which involved identical form admission and arbitration agreements. In *Solesbee*, the Court of Appeals held there was no enforceable arbitration agreement where the resident did not sign, no authority was established, and the defendant's merger and estoppel arguments failed. *Id.* at 648–49. To the extent THI contends that *Solesbee* was wrongly decided, this Court is bound to apply controlling precedent of the South Carolina Court of Appeals.

The same material facts are present here. Ms. Hunter did not sign the Arbitration Agreement, and THI has failed to establish that Ms. Gibbs had authority to bind her. As in *Solesbee*, the agreements do not merge and equitable estoppel does not apply.

*Solesbee* has been consistently applied in subsequent decisions of the Court of Appeals involving similar agreements and related entities, including *Pace v. Lake Emory Post Acute Care*, 2024 WL 3441428 (S.C. Ct. App. July 17, 2024), and *Mazyck v. THI of S.C. at Charleston, LLC*, 2026 WL 457839 (S.C. Ct. App. Feb. 18, 2026). Although unpublished, these decisions reflect a consistent application of controlling law.

The Court further notes that, in *Solesbee*, the Court of Appeals did not rely solely on the absence of authority but also analyzed and rejected the same merger and equitable estoppel arguments advanced here. Specifically, the court found that the arbitration agreement was a separate contract, independently executed, not required for admission, and serving a different purpose than the admission agreement—namely, dispute resolution rather than the provision of care. Under those circumstances, the court held the agreements did not merge and could not be construed as a single contract. Because there was no merger, the court further held that equitable estoppel did not apply, as the benefits received by the resident arose from the admission agreement, not the arbitration agreement itself. *Id.*

Those same features are present here and compel the same result. The Court's ruling is consistent with a settled and uniform line of South Carolina appellate decisions addressing materially similar arbitration agreements. *See, e.g., Pace v. Lake Emory Post Acute Care*, No. 2022-001059, 2024 WL 3441428, at \*4 (S.C. Ct. App. July 17, 2024); *Mazyck v. THI of S.C. at Charleston, LLC*, No. 2025-000070, 2026 WL 457839, at \*1 (S.C. Ct. App. Feb. 18, 2026); *White v. St. George Healthcare, LLC*, No. 2024-000914, 2026 WL 295355, at \*1 (S.C. Ct. App. Feb. 4, 2026); *Calloway v. Oakbrook Healthcare, LLC*, No. 2024-000910, 2026 WL 295356, at \*1 (S.C. Ct. App. Feb. 4, 2026); *Kilpatrick v.*

*Pruitthealth-Ridgeway, LLC*, No. 2024-000596, 2026 WL 295370, at \*1 (S.C. Ct. App. Feb. 4, 2026); *Hutley for Doe v. THI of S.C. at Magnolia Manor Inman, LLC*, No. 2023-001612, 2024 WL 4903506, at \*1 (S.C. Ct. App. Nov. 27, 2024); *Rahn v. Priority Home Care, LLC*, No. 2022-001242, 2023 WL 8621839, at \*1 (S.C. Ct. App. Dec. 13, 2023); *White v. St. Matthews Healthcare, LLC*, No. 2021-000700, 2023 WL 8621824, at \*2 (S.C. Ct. App. Dec. 13, 2023); *Walker v. Hallmark Longterm Care, LLC*, No. 2021-000594, 2023 WL 8621095, at \*2 (S.C. Ct. App. Dec. 13, 2023); *Greene v. Palmetto Prince George Operating, LLC*, No. 2020-001167, 2023 WL 8621085, at \*2 (S.C. Ct. App. Dec. 13, 2023); *China v. Palmetto Hallmark Operating, LLC*, No. 2022-001807, 2023 WL 8621073, at \*1 (S.C. Ct. App. Dec. 13, 2023); *Dawkins v. Fundamental Clinical & Operational Servs., LLC*, No. 2021-000707, 2023 WL 8621072, at \*1 (S.C. Ct. App. Dec. 13, 2023); *Tisdale v. Palmetto Lake City Operating, LLC*, No. 2021-000586, 2024 WL 36066, at \*2 (S.C. Ct. App. Jan. 3, 2024); *Est. of Rice by Lovett v. Fundamental Clinical & Operational Servs., LLC*, No. 2023-000432, 2024 WL 1192320, at \*1 (S.C. Ct. App. Mar. 20, 2024); *McCarson v. THI of S.C. at Magnolia Manor-Inman, LLC*, No. 2023-001371, 2024 WL 4295208, at \*1 (S.C. Ct. App. Sept. 25, 2024).

## CONCLUSION

THI has failed to meet its burden to establish the existence of a valid and enforceable arbitration agreement. Ms. Hunter did not assent to arbitration, and no individual with legal authority executed the Arbitration Agreement on her behalf.

Additionally, the Arbitration Agreement is a separate, independently executed contract that does not merge with the Admission Agreement and provides no basis for equitable estoppel.

In sum, THI has not established (1) a valid agreement to arbitrate, (2) a basis to bind Ms. Hunter through agency, (3) that the Arbitration Agreement merges with the Admission Agreement, or (4) that equitable estoppel applies. Each of these failures independently precludes enforcement of the Arbitration Agreement.

Accordingly, THI has failed to establish any legal basis upon which Ms. Hunter may be compelled to arbitrate her claims. Defendant THI of South Carolina at Rock Hill, LLC's Motion to Stay and Compel Arbitration is therefore **DENIED**, and Defendant THI of South Carolina, LLC's Motion to Stay is likewise **DENIED**.

**IT IS SO ORDERED.**



York Common Pleas

**Case Caption:** Jacqueline Gibbs , plaintiff, et al VS Thi Of South Carolina At Rock Hill Llc , defendant, et al  
**Case Number:** 2025CP4604373  
**Type:** Order/Other

So Ordered

/s William A. McKinnon, #2761, Circuit Judge