STATE OF SOUTH CAROLINA COUNTY OF FLORENCE Samuel Barr, on behalf of himself and all others similarly situated, Plaintiffs, vs. QHG of South Carolina, Inc., d/b/a Carolinas Hospital System, Defendant.	)	IN THE COURT OF COMMON PLEAS FOR THE TWELFTH JUDICIAL CIRCUIT C.A. No. 2016-CP-21-00369 **ORDER GRANTING DEFENDANT'S MOTION TO STAY THE ACTION AND COMPEL ARBITRATION**

THIS MATTER CAME BEFORE THIS COURT for hearing on September 13, 2016, on a Motion by the Defendant to Stay the Action and Compel Arbitration and, Alternatively, to Dismiss pursuant to Rule 12(b)(6). Defendant moved the Court to stay the action and compel Plaintiff Samuel Barr ("Plaintiff") to arbitration arguing Plaintiff's claims must be compelled to arbitration pursuant to either the Federal Arbitration Act (the "FAA") or the South Carolina Uniform Arbitration Act (the "UAA"). Plaintiff opposed the Motion arguing that Section 15-48-10(b)(4) of the South Carolina Code constituted an exemption from the arbitration provision at issue, and the McCarran-Ferguson Act's reverse preemption provision applies to defeat the application of the FAA. A hearing was held before the Court on September 13, 2016. After carefully considering the applicable law, arguments of counsel, the relevant pleadings, and submissions of the parties, the Court hereby grants Defendant's Motion to Stay Proceedings and Compel Arbitration.[1]

[1] While Defendant's Motion to Stay the Proceedings and Compel Arbitration was pending, Plaintiff filed a Motion for Assignment to the Honorable Clifton Newman. The Court declines to rule on Plaintiff's Motion for Assignment because the issue of arbitration is a threshold matter which should be resolved prior to the Court taking other action with respect to the case. *See* S.C. CODE ANN. § 15-48-20(d); 9 U.S.C.A. § 3; *Stokes v. Metro. Life Ins. Co.*, 351 S.C. 606, 612, 571 S.E.2d 711, 715 (Ct. App. 2002) (holding "the FAA clearly requires a court stay 'any suit or

FACTS AND PROCEDURAL HISTORY

According to allegations in Plaintiff's Amended Complaint (the "Complaint"):

1. On March 20, 2015, Plaintiff and his two daughters were involved in a motor vehicle collision, and received treatment for their injuries on that date in the emergency room of Defendant's hospital.

2. Plaintiff asserts that at the time of the collision, and their treatment he was covered under a health insurance policy issued by BCBS and his minor daughters were also beneficiaries under that policy.

3. Plaintiff asserts that at the time he was treated at Defendant's hospital his insurance information was provided to Defendant. However, he claims Defendant marked the accounts for his daughters as "liability insurance," and he was marked as the guarantor.

4. Plaintiff alleges Defendant did not inform him that it would not process bills through his private health insurance, or that his minor children's accounts would be transferred to an auto accident/third party entity for processing.

5. Plaintiff alleges Defendant did not inform him that Defendant would seek the full cost of the medical bills from him personally or by billing liability insurance applicable to the auto accident.

6. Plaintiff alleges he is a third-party beneficiary of the Institutional Agreement between BCBS and Defendant (the "Institutional Agreement") and entitled to the rates negotiated in the Institutional Agreement.

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proceeding' pending the arbitration of 'any issue referable to arbitration under an agreement in writing for such arbitration' upon the application of one of the parties" (citation omitted)).

7. Plaintiff alleges that under the terms of the Institutional Agreement Defendant is required to submit medical bills of patients like Plaintiff directly to BCBS for payment of the negotiated rates.

8. Plaintiff alleges Defendant refused to provide him with the negotiated rates under the Institutional Agreement for the services provided.

9. Plaintiff alleges that Defendant is precluded from seeking payment for covered services from other sources under the terms of the Institutional Agreement.

Based on these allegations Plaintiff sued Defendant on purported causes of action for (1) breach of contract, (2) breach of the duty of good faith and fair dealing, (3) tortious interference with contract/economic relations, (4) unjust enrichment, (5) conversion, and (6) *quantum meruit*. Additionally, Plaintiff moved for a judgment declaring him a third-party beneficiary of the Institutional Agreement and an injunction demanding Defendant immediately cease and desist the practice of failing to submit health insurance claims to the insurance providers.

In response to Plaintiff's Complaint, Defendant filed a Motion to Stay the Action and Compel Arbitration arguing all of Plaintiff's claims arose out of his alleged status as a third-party beneficiary to the Institutional Agreement and, therefore, Plaintiff should be compelled to arbitration pursuant to the Institutional Agreement's Arbitration Provision.

Because the Complaint pleaded the existence and application of the agreement between Defendant and BCBS, and placed that agreement at the center of its claims, the Court makes reference to that Institutional Agreement for purposes of the pending Motion without converting this Motion to one under Rule 56. The top of the first page of the Institutional Agreement contains the following Arbitration Notice provision:

WITH THE EXCEPTION OF DECISIONS MADE UNDER ARTICLE VII (UTILIZATION MANAGEMENT PROGRAM DECISIONS), THIS AGREEMENT IS SUBJECT TO ARBITRATION. WITH RESPECT TO UTILIZATION MANAGEMENT PROGRAM DECISIONS, THE TERMS OF THIS AGREEMENT SHALL CONTROL.

Thereafter, the Institutional Agreement's Arbitration Provision is contained in Article XII, entitled Dispute Resolution. This Article provides expressly that:

> 12.1 Except for decisions made pursuant to the Utilization Management Program, Plan and Institution agree to meet and confer in good faith to resolve any problems or disputes that may arise under this Agreement.
>
> 12.2 In the event that the parties through mutual negotiation are not able to satisfactorily resolve any problem or dispute, other than a Utilization Management Program decisions (which shall be governed by the terms of Article VII), Plan and Institution agree to arbitrate such problem or dispute. A single arbitrator shall conduct the arbitration under the then current commercial rules of the American Arbitration Association. The American Arbitration Association shall appoint an arbitrator who is knowledgeable in the health care management field. The arbitration shall be held and any award shall be made in Columbia, South Carolina. Subject to the terms of the Uniform Arbitration Act, the arbitrator's determination shall be final and binding upon the parties.

Defendant now moves to compel Plaintiff's claims to arbitration in accordance with the Institutional Agreement's Arbitration Provision.

STANDARD OF REVIEW

"The question of the arbitrability of a claim is an issue for judicial determination, unless the parties provide otherwise." *Zabinski v. Bright Acres Assocs.*, 346 S.C. 580, 596, 553 S.E.2d 110, 118 (2001). "It is the policy of this state and federal law to favor arbitration[,] and 'any doubts concerning the scope of arbitrable issues should be resolved in favor of arbitration.'" *Landers v. Fed. Deposit Ins. Co.*, 402 S.C. 100, 109, 739 S.E.2d 209, 213 (2013) (quoting *Am. Recovery Corp. v. Computerized Thermal Imaging, Inc.*, 96 F.3d 88, 92 (4th Cir. 1996)). "[T]he party resisting arbitration bears the burden of proving that the claims at issue are unsuitable for

arbitration." *Hall v. Green Tree Servicing, LLC*, 413 S.C. 267, 271, 776 S.E.2d 91, 94 (Ct. App. 2015) (alteration in original) (quoting *Dean v. Heritage Healthcare of Ridgeway, LLC*, 408 S.C. 371, 379, 759 S.E.2d 727, 731 (2014)).

LAW AND ANALYSIS

I. The Institutional Agreement's arbitration provision is valid and enforceable under the South Carolina Uniform Arbitration Act.

a. The Arbitration Notice Provision

As an preliminary matter, the Court finds the Institutional Agreement satisfies the UAA's arbitration notice requirements.

For a contract to contain an enforceable arbitration provision under the UAA, the contract must contain an arbitration notice provision on the first page of the contract that is "typed in underlined capital letters." S.C. CODE ANN. § 15-48-10(a).

The Institutional Agreement's arbitration notice provision is at the top of its the first page and is bold, underlined, and in all capital letters. Therefore, the Institutional Agreement satisfies the technical notice requirements for a valid arbitration clause under the UAA.

b. The Institutional Agreement's Arbitration Provision

The Court finds the Institutional Agreement contains a valid and enforceable agreement to arbitrate under the UAA.

Under the UAA, "[a] written agreement to submit any existing controversy to arbitration or a provision in a written contract to submit to arbitration any controversy thereafter arising between the parties is valid, enforceable and irrevocable. . . ." S.C. CODE ANN. § 15-48-10.

A broadly-worded arbitration clause, like the one in the Institutional Agreement, applies to disputes that arise under the contract, as well as, to disputes that do not arise under the governing contract if a "significant relationship" exists between the asserted claims and the

contract in which the arbitration clause is contained. *Zabinski*, 346 S.C. at 598, 553 S.E.2d at 119 (citing *Long v. Silver*, 248 F.3d 309, 316 (4th Cir. 2001)).

The Institutional Agreement is a written agreement between Defendant and BCBS. The Institutional Agreement states that the parties agreed to arbitrate any problem or dispute that may arise under the Agreement. The Court finds that Plaintiff asserts third-party beneficiary status under the Institutional Agreement and seeks to derive specific benefit from the terms of the Agreement in his claims in this case. All of Plaintiff's claims either arise out of the Institutional Agreement, or have a significant relationship to the Institutional Agreement. Therefore, the Court finds that Plaintiff must be compelled to arbitrate his claims against Defendant as provided for under the Agreement.[2]

c. Section 15-48-10(b)(4)'s Exemption Provision

Plaintiff argues section 15-48-10(b)(4) of the South Carolina Code exempts his claims from arbitration. The Court finds this argument to be without merit.

Section 15-48-10(b)(4) states that the UAA does not apply "to any insured or beneficiary under any insurance policy or annuity contract." *Id.* South Carolina courts have narrowly interpreted this provision and found it only applies to insurance policies and annuity contracts. *See Walden v. Harrelson Nissan, Inc.*, 399 S.C. 205, 210, 731 S.E.2d 324, 326 (Ct. App. 2012); *Wilson*, 416 S.C. at 426, 786 S.E.2d at 587. Our courts have found arguments attempting to

[2] Although Plaintiff is a non-signatory to the Institutional Agreement, he is bound by its valid and enforceable arbitration clause. When a signatory seeks to enforce an arbitration agreement against a non-signatory, the doctrine of equitable estoppel prevents the non-signatory from claiming they are not bound by the arbitration agreement when they received a direct benefit from a contract containing an arbitration clause. See *Wilson v. Willis*, 416 S.C. 395, 416-17, 786 S.E.2d 571, 582 (Ct. App. 2016), *reh'g denied* (June 24, 2016); *Pearson v. Hilton Head Hosp.*, 400 S.C. 281, 295-96, 733 S.E.2d 597, 604 (Ct. App. 2012); *R.J. Griffin & Co. v. Beach Club II Homeowners Ass'n*, 384 F.3d 157, 162 (4th Cir. 2004). Thus, for Plaintiff to assert, or derive any benefit from the Institutional Agreement, he must be bound by the provision therein requiring arbitration.

expand its application to contracts other than insurance policies and annuity contracts to be without merit. *See id.*; *Wilson*, 416 S.C. at 426, 786 S.E.2d at 587.

In *Walden v. Harrelson Nissan, Inc.*, the court addressed whether an automobile lease that contained optional credit life insurance was subject to section 15-48-10(b)(4)'s arbitration exemption provision. 399 S.C. at 210, 731 S.E.2d at 326. Ultimately, the court concluded that the lease did not create a duty to insure, the FAA governed the lease agreement, and the parties were compelled to arbitration. *Walden*, 399 S.C. at 210-11, 731 S.E.2d at 327. In reaching this conclusion the court examined section 15-48-10(b)(4) and found the General Assembly did not intend for the section's arbitration exemption "to apply to agreements that only have a tangential relationship to an insurance policy." *Id.* at 201, 731 S.E.2d at 326. Instead, the court found the General Assembly intended section 15-48-10(b)(4) "to apply directly to an insurance contract." *Id.* The court rejected an expansive interpretation of section 15-48-10(b)(4), and found that an assertion that the section exempted anything other than insurance policies and annuity contracts from arbitration was without merit. *Id.*

In *Wilson v. Willis*, the plaintiffs brought suit against insurers alleging the insurers—who contracted with a local insurance company—were liable under respondeat superior for failure to investigate, supervise, or audit the defendant insurance agents and local insurance company. 416 S.C. at 426-27, 786 S.E.2d at 587. In *Wilson*, the plaintiffs alleged the defendant insurance agents engaged in illegal and improper tactics to corner the retail insurance market in Abbeville County, South Carolina. 416 S.C. at 405, 786 S.E.2d at 576. The court found the duties the plaintiffs contended the insurers breached arose from the agency agreement between the insurance agents and the insurers and, therefore, the causes of action against the insurers were not "the claims of 'any insured or beneficiary under any insurance policy' that would exempt" the action from arbitration pursuant to section 15-48-10(b)(4). *Id.* at 426, 786 S.E.2d at 587.

Relying on the court's reasoning in *Walden*, the court in *Wilson* rejected the plaintiffs' expansive interpretation of section 15-48-10(b)(4) and found the statutory provisions only applied to insurance policies or annuity contracts. *Id.* ("[W]e reject the Insureds and Agents' expansive interpretation of the statute."). Since, the agency agreement at issue was not an insurance policy or an annuity contract, the court found section 15-48-10(b)(4)'s arbitration exemption did not apply and compelled arbitration. *Id.*

Applying the same reasoning as the courts in *Walden* and *Wilson*, the Court finds section 15-48-10(b)(4)'s arbitration exemption is inapplicable because the Institutional Agreement is neither an insurance policy, nor an annuity contract. The claim by Plaintiff against Defendant is not a claim by an insured against an insurer. Thus, the exemption in section 15-48-10(b)(4) is not applicable here and Plaintiff is compelled to arbitrate his claims against Defendant.

II. The Federal Arbitration Act

While it is clear that the UAA applies to this case and requires the matter be arbitrated, it is worthwhile noting that the same result ensues if the FAA is applied to this case.

a. The FAA Applies to the Institutional Agreement

"The FAA is intended to ensure that arbitration will proceed in the event a state law would have preclusive effect on an otherwise valid arbitration agreement." *Bradley v. Brentwood Homes, Inc.*, 398 S.C. 447, 453, 730 S.E.2d 312, 315 (2012). Section 15-48-10(b)(4)'s exemption from arbitration provision does not apply in this instance; nevertheless, the Court also finds Plaintiff's claims are subject to arbitration under the FAA.

The FAA provides that a written arbitration provision in any contract "evidencing a transaction involving commerce" is to be compelled to arbitration if a controversy arises out of the contract or the refusal to perform the contract. 9 U.S.C.A. § 2. "The United States Supreme Court has held that the phrase 'involving commerce' is the same as 'affecting commerce,' which

has been broadly interpreted to mean Congress intended to utilize its powers to regulate interstate commerce to its full extent." *Blanton v. Stathos*, 351 S.C. 534, 540, 570 S.E.2d 565, 568 (Ct. App. 2002); *see also Citizens Bank v. Alafabco, Inc.*, 539 U.S. 52, 56 (2003) ("We have interpreted the term 'involving commerce' in the FAA as the functional equivalent of the more familiar term 'affecting commerce'-words of art that ordinarily signal the broadest permissible exercise of Congress' Commerce Clause power."). The South Carolina Supreme Court has adopted the United States Supreme Court's broad interpretation of the phrase "involving commerce." *See Zabinksi*, 346 S.C. at 591, 553 S.E.2d at 115; *see also Towles v. United Healthcare Corp.*, 338 S.C. 29, 524 S.E.2d 839 (Ct. App. 1999).

The Institutional Agreement is a written contract evidencing a transaction involving commerce that includes a written arbitration provision. The Institutional Agreement involves interstate commerce under the Court's broad definition of "involving commerce" because it affects interstate commerce. Section 15.1 of the Institutional Agreement states that Defendant "agrees to provide services to Associate Plan's Members and to look to each Associate Plan for reimbursement for Services." The Institutional Agreement defines "Associate Plan" as the other members of the BlueCross BlueShield Association. The BlueCross BlueShield Association is a national federation of 36 independent community-based and locally operated BlueCross BlueShield companies. Therefore, the Institutional Agreement affects commerce, because it allows Associate Plan members to receive services from Defendant and enables Defendant to seek reimbursement from those services from the Associate Plans. *See Episcopal Hous. Corp. v. Federal Ins. Co.*, 269 S.C. 631, 640, 239 S.E.2d 647, 652 (1977) (concluding performance required under a contract for the construction of an eighteen-story building involved interstate commerce because "[i]t would be virtually impossible to construct" such a building "with materials, equipment and supplies all produced and manufactured solely within the State of

South Carolina"); *see also McCutcheon v. THI of S.C. at Charleston, L.L.C.*, No. 2:11-CV-02861, 2011 WL 6318575, at *5 (D.S.C. Dec. 15, 2011) (holding that the contracted-for care involved providing food and medical services from out-of-state vendors and thus involved interstate commerce); *Summit Health, Ltd. v. Pinhas*, 500 U.S. 322, 327-28 (1991) (finding the provision of medical services affects interstate commerce because both physicians and hospitals serve nonresident patients and receive reimbursement through Medicare payments); *Erickson v. Aetna Health Plans of California, Inc.*, 71 Cal. App. 4th 646, 651, (Cal. App. 1999) (holding an Aetna Health Plan involved interstate commerce for FAA purposes because it replaced Medicare coverage and entered into interstate contracts with vendors and service providers operating on a national basis).

In addition to affecting commerce through the involvement of the Associate Plans, the Institutional Agreement affects commerce because it requires Defendant use electronic communications to submit claims to BCBS. Specifically, section 6.10 of the Institutional Agreement requires Defendant use its best efforts to file claims electronically. Under the Commerce Clause, Congress has the authority to regulate the channels of interstate commerce. *Cape Romain Contractors, Inc. v. Wando E., LLC*, 405 S.C. 115, 124, 747 S.E.2d 461, 465 (2013). Telecommunication networks are a channel of interstate commerce. *Gibbs v. Babbitt*, 214 F.3d 483, 491 (4th Cir. 2000). Therefore, the Institutional Agreement's provision requiring the use of electronic claim submissions affects interstate commerce because it requires the use of a channel of interstate commerce. *See Cape Romain Contractors*, 405 S.C. at 124, 747 S.E.2d at 465-66 (holding "the transportation of out-of-state materials through the channels of interstate commerce, and the use of barges and other instrumentalities of interstate commerce all support application of the FAA. . . .").

Therefore, the Court finds the Institutional Agreement is a written contract containing an arbitration provision that affects interstate commerce. Accordingly, Plaintiff is compelled to arbitrate his claims.

b. McCarran-Ferguson Act's Reverse Preemption

Plaintiff argues the McCarran-Ferguson Act's reverse preemption provision applies to the Institutional Agreement because the Institutional Agreement is the "business of insurance." The Court finds the Institutional Agreement is not the "business of insurance" under the McCarran-Ferguson Act.

The McCarran-Ferguson Act allows a state law to preempt a federal law—otherwise known as reverse preemption—when the state law relates to the regulation of the business of insurance. 15 U.S.C.A. § 1012. South Carolina courts have narrowly interpreted section 15-48-10(b)(4) and found that it relates to the regulation of the business of insurance only when an arbitration clause is in an insurance policy or an annuity contract. *See* S.C. CODE ANN. § 15-48-10(b)(4); *Cox v. Woodmen of World Insurance Company*, 347 S.C. 460, 468, 556 S.E.2d 397, 402 (Ct. App. 2001); *Walden*, 399 S.C. at 210, 731 S.E.2d at 326. However, before determining whether the contract in issue is subject to a state law that regulates the business of insurance, the Court must first determine whether that contract constitutes the "business of insurance" under the McCarran-Ferguson Act. *See Grp. Life & Health Ins. Co. v. Royal Drug Co.*, 440 U.S. 205, 210-11 (1979) (holding a company may do many things that are subject to federal regulation, but only when the company is engaged in the "business of insurance" does the McCarran-Ferguson Act apply); *Sec. & Exch. Comm'n v. Nat'l Sec., Inc.*, 393 U.S. 453, 459-60 (1969) ("Insurance companies may do many things which are subject to paramount federal regulation; only when they are engaged in the 'business of insurance' does the statute apply.").

At its essence the "business of insurance" is the relationship between the policyholder and the insurer. *See Virginia Acad. of Clinical Psychologists v. Blue Shield of Virginia*, 624 F.2d 476, 483 (4th Cir. 1980). The business of insurance does not encompass all of an insurance company's activities. *See Royal Drug*, 440 U.S. at 210-11 (distinguishing the "business of insurance" from the "business of insurers"). An insurance company's contract with a service provider—such as a pharmacy or a hospital—constitutes the "business of insurers" and not the "business of insurance" because the contract does not spread a policyholder's risk. *See id.* at 232.

In *Group Life & Health Insurance Company v. Royal Drug Company*, the United States Supreme Court addressed the issue of whether an agreement between Blue Shield of Texas ("Blue Shield") and three pharmacies constituted the "business of insurance" so as to subject the agreements to state law pursuant to the reverse preemption provision of McCarran-Ferguson Act. 440 U.S. at 207-08. In *Royal Drug*, the insurance company—Blue Shield—offered insurance policies that entitled its policyholders to obtain prescription drugs from pharmacies that had entered into a "Pharmacy Agreement" with Blue Shield. *Id.* If a pharmacy entered into a Pharmacy Agreement with Blue Shield, then a Blue Shield policyholder only paid $2 for every prescription drug and Blue Shield paid the remainder of the cost. *Id.* The Court found the Pharmacy Agreements did not constitute the business of insurance, because the Blue Shield insurance policies and the Pharmacy Agreements were readily distinguishable contracts. *Id.* at 213. In distinguishing the insurance contracts and the Pharmacy Agreements, the Court noted that the Blue Shield insurance policies "insure against the risk that policyholders [would] be unable to pay for prescription drugs during the period of coverage," while the Pharmacy Agreements served "only to minimize the costs Blue Shield incur[ed] in fulfilling its underwriting obligations." *Id.* In addition to minimizing the costs Blue Shield incurred in

fulfilling its underwriting obligations, the Court found the Pharmacy Agreements were not "between insurer and insured," because "[t]hey are separate contractual arrangements between Blue Shield and pharmacies engaged in the sale and distribution of goods and services other than insurance." *Id.* at 216. The Court also found the Pharmacy Agreements did not "involve any underwriting or spreading of risk, but [were] merely arrangements for the purchase of goods and services by Blue Shield." *Id.* at 214. In further support of the position that the Pharmacy Agreements were not the "business of insurance" the Court noted that they were "legally indistinguishable from countless other business arrangements that may be made by insurance companies to keep their costs low and thereby also keep low the level of premiums charged to their policy holders" and the business practices of an insurance company in an effort to increase profits, lower costs, and potentially lower policyholder premiums are not the "business of insurance." *Id.* at 215.

The instant case is overwhelmingly analogous to *Royal Drug*. Here, BCBS offered insurance policies to its policyholders. Plaintiff is a BCBS policyholder. BCBS entered into the Institutional Agreement with Defendant whereby Defendant agreed to charge BCBS certain rates for medical services in exchange for Defendant's inclusion in BCBS's preferred provider network, among other things. As noted in *Royal Drug*, an insurance policy and an agreement to provide a good or a service for a set rate are readily distinguishable contracts. Plaintiff's insurance policy with BCBS insures against the risk that Plaintiff will be unable to pay for medical treatment during the period of coverage. The Institutional Agreement does not insure Plaintiff against any risk or spread the risk of any BCBS policyholder. The Institutional Agreement serves only to minimize the costs BCBS incurs in fulfilling its underwriting obligations to its policyholders. A contract between an insurer and a service provider that may result in a benefit being conferred to a policyholder does not constitute the "business of

insurance." *See Royal Drug*, 440 U.S. at 232 ("If agreements between an insurer and retail pharmacists are the "business of insurance" because they reduce the insurer's costs, then so are all other agreements insurers may make to keep their costs under control—whether with automobile body repair shops or landlords.").

Upon evaluating the Institutional Agreement in light of *Royal Drug*, it is clear that the Institutional Agreement is not the "business of insurance" under the McCarran-Ferguson Act. Since the Institutional Agreement does not constitute the "business of insurance," the McCarran-Ferguson Act's reverse preemption provision does not apply to it. Because the McCarran-Ferguson Act's reverse preemption provision does not apply, the Institutional Agreement and its arbitration provision are subject to the FAA. Therefore, the Court must compel the parties to arbitration under the FAA. *See Cox*, 347 S.C. at 469-70, 556 S.E.2d at 402; *Walden*, 399 S.C. at 210, 731 S.E.2d at 326 (holding an automobile lease agreement was not subject to section 15-48-10(b)(4)'s arbitration exemption provision and compelling the parties to arbitration under the FAA); *Wilson*, 416 S.C. at 426-27, 786 S.E.2d at 587 (holding an agency agreement between insurance agents and an insurance company was not subject to section 15-48-10(b)(4)'s arbitration exemption provision and compelling the parties to arbitrate under the FAA).

CONCLUSION

For the foregoing reasons, this Court finds that the arbitration provision in the Institutional Agreement is enforceable and applicable to Plaintiff's claims in this case. Therefore, the captioned action is stayed and Plaintiff is ordered to proceed with his claims in accordance with the terms of the Institutional Agreement. Therefore, it is Ordered, Adjudged and Decreed, that Defendant's Motion to Stay the Action and Compel Arbitration is hereby **GRANTED.**

AND IT IS SO ORDERED.

The Honorable William H. Seals, Jr.
Judge, Twelfth Judicial Circuit

This 26 day of October, 2016
Florence, South Carolina

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FLORENCE COUNTY, S.C.

CERTIFIED A TRUE COPY
CLERK OF COURT C.P. & G.S.
FLORENCE COUNTY, S.C.

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June 27, 2017

The Honorable Jenny Abbott Kitchings
Clerk, South Carolina Court of Appeals
Post Office Box 11629
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Re: Samuel Barr on behalf of Himself and those Similarly Situated, Appellant, v. QHG of South Carolina, Inc. d/b/a Carolina Hospital System, Respondent
Appellate Case No. 2017-000065

Dear Ms. Kitchings:

Enclosed for filing is a copy of the date-stamped Order Granting Defendant's Motion to Stay the Action and Compel Arbitration in the above case.

Sincerely,

Amanda Weaver
Paralegal to Attorneys for Appellant

cc: Jim Werner
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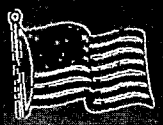

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