

Court of Appeals sides with Kokomo doctor in compensation suit

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The Indiana Court of Appeals recently upheld a Howard Circuit Court decision in favor of a Kokomo Oncologist seeking compensation from St. Vincent Hospital in Indianapolis, for nonpayment of wages. Brown Law Office in Indianapolis, which represented Dr. Robert Steele, Kokomo, issued a news release Saturday on the Court of Appeals decision, which was handed down Wednesday.

The appeals court sided with Circuit Court, in its decision citing St. Vincent Hospital and Health Care Center was in violation of Indiana's Wage Payment Statute, because it did not pay Dr. Steele the amount due per his employment contract, the release stated.

According to Steele's attorneys, Lorie A. Brown and Kenneth Lauter, "hospitals are finding they cannot do a better job than the physician managing medical practices and as a result, (hospitals) are finding ways to withhold payment to physician employees."

Steele and the hospital entered into a physician employment agreement April 1995, which St. Vincent did not uphold. Steele sued the hospital for non-payment of wages. On Dec. 18, 1998, Steele filed a complaint against the hospital alleging breach of contract. "Dr. Steele attempted to renegotiate his contract without success," said Brown, who practices healthcare law. "Litigation was his last resort."

As part of the court proceedings in Howard Circuit Court, Judge Lynn Murray released Steele from enforcement of the employment agreement's covenant not to compete. Steele is now employed by a competing hospital, the release said.