NON-PRECEDENTIAL DECISION - SEE SUPERIOR COURT O.P. 65.37

ERIE INSURANCE EXCHANGE	:	IN THE SUPERIOR COURT OF PENNSYLVANIA
v.	:	
LORI & NICHOLAS CARDINALE	:	
Appellants	:	No. 1683 MDA 2025

Appeal from the Order Entered November 5, 2025
In the Court of Common Pleas of Luzerne County Civil Division at No(s): 2024-CV-05191

BEFORE: LAZARUS, P.J., STABILE, J., and BENDER, P.J.E.

MEMORANDUM BY BENDER, P.J.E.: **FILED: NOVEMBER 19, 2026**

Appellants, Lori and Nicholas Cardinale (the Cardinales), appeal from the order granting summary judgment in favor of Appellee, Erie Insurance Exchange (Erie). The Cardinales contend that the trial court erred in concluding that they were collaterally estopped from pursuing an action for underinsured motorist (UIM) benefits from Erie. After careful review, we affirm.

The record reflects that on August 29, 2018, Christine Lunny (Lunny) was operating a vehicle that struck Mrs. Cardinale's vehicle from behind. The parties agreed to resolve the Cardinales' tort action against Lunny[1] through a binding high/low arbitration agreement, which provided that the award would

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[1] We note that the tort action against Lunny also included the car's owner, Jason Kulick, as a named defendant. ***See***, ***e.g.***, Complaint, 8/24/20, at 2; Arbitration Award, 5/26/23 (single page). However, for ease of discussion we shall refer to the third-party tortfeasor simply as Lunny.

be molded to conform to Lunny's liability policy limits. Erie, the Cardinales' insurer, declined to participate in arbitration. ***See*** Erie's Complaint, 5/7/24 at 4-10; Cardinales' Answer and New Matter, 6/6/24 at 1-6 (unnumbered); Erie's Motion for Summary Judgment, 7/2/25 at 1-3. The record reflects that in an email dated March 29, 2023, Erie notified the Cardinales that it declined to participate in the arbitration but requested a copy of the Cardinales' demand packet to allow Erie to evaluate the claimed damages "should a UIM trigger ultimately exist." Erie's Motion for Summary Judgment, 7/2/25 (Exhibit F).

The arbitrator awarded the Cardinales $164,978.00 in damages, including Mrs. Cardinale's past, present, and future pain and suffering, medical expenses, and Mr. Cardinale's loss of consortium claim. Arbitration Award, 5/26/23 (single page); Erie's Complaint, 5/7/24 at 6. Consistent with the Arbitration Agreement, the award was molded to Lunny's $100,000 policy limit.

The Cardinales pursued a UIM claim under their Erie policy seeking damages that had not been presented to the arbitrator. In a letter dated June 9, 2023, the Cardinales' counsel notified Erie that the arbitration award had not accounted for Mrs. Cardinale's lost wages, an "economic horizon vocational expert report," or a "life care plan." Letter, 6/9/23, at ¶¶1-2. Erie's response was to offer the Cardinales $64,976.86, which represented the difference between the arbitration award and Lunny's policy limits, while declining to consider the additional damages the Cardinales had identified.

Cardinales' Brief in Opposition to Erie's Motion for Summary Judgment, 8/11/25, at 3.

Erie filed a declaratory judgment action in May of 2024, seeking a ruling that collateral estoppel would bar any UIM recovery beyond $64,976.86. Following briefing and argument, the trial court granted Erie's motion for summary judgment on November 5, 2025.

This timely appeal followed. The trial court did not direct the Cardinales to file a Pa.R.A.P. 1925(b) statement. In lieu of a Rule 1925(a) opinion, the trial court filed a Rule 1925(a) statement indicating that the rationale for its decision was set forth in the November 5, 2025 order granting summary judgment in favor of Erie.

On appeal, the Cardinales raise the following issues:

> 1. Whether the trial court committed an error of law and/or abused its discretion in granting summary judgment based on collateral estoppel where the arbitrator's jurisdiction was expressly limited by a written [arbitration] agreement to the resolution of the underlying third-party action [involving Lunny] and did not extend to [the Cardinales' UIM] claims?
> 2. Whether the trial court committed an error of law and/or abused its discretion by applying collateral estoppel where the arbitration award exceeded third-party policy limits, triggered UIM coverage, and was rendered beyond the arbitrator's limited jurisdiction, contrary to controlling Pennsylvania law?

Cardinales' Brief at 7 (some formatting altered).

We review a trial court order granting summary judgment bearing in mind the following principles:

> In reviewing an order granting summary judgment, our scope of review is plenary, and our standard of review is the same as that applied by the trial court. Our Supreme Court has stated the applicable standard of review as follows: An appellate court may reverse the entry of summary judgment only where it finds that the lower court erred in concluding that the matter presented no genuine issue as to any material fact and that it is clear that the moving party was entitled to a judgment as a matter of law. In making this assessment, we review the record in the light most favorable to the nonmoving party, and all doubts as to the existence of a genuine issue of material fact must be resolved against the moving party. As our inquiry involves solely questions of law, our review is *de novo*.
>
> Therefore, our responsibility as an appellate court is to determine whether the record either establishes that the material facts are undisputed or contains insufficient evidence of facts to make out a prima facie cause of action, such that there is no issue to be decided by the fact-finder. If there is evidence that would allow a fact-finder to render a verdict in favor of the non-moving party, then summary judgment should be denied.

TCS Black Label Realty, LLC v. Serhant Pennsylvania, LLC, 352 A.3d 528, 538 (Pa. Super. 2026) (citation omitted and some formatting altered).

> Collateral estoppel, or issue preclusion, applies if:
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> (1) the issue decided in the prior case is identical to one presented in the later case; (2) there was a final judgment on the merits; (3) the party against whom the plea is asserted was a party or in privity with a party in the prior case; (4) the party or person privy to the party against whom the doctrine is asserted had a full and fair opportunity to litigate the issue in the prior proceeding and (5) the determination in the prior proceeding was essential to the judgment.

Llaurado v. Garcia-Zapata, 223 A.3d 247, 253 (Pa. Super. 2019) (citation omitted). Moreover, this Court has explained that

> there is no requirement that there be an identity of parties between the two actions to invoke the [collateral estoppel] bar. Parties to a subsequent action need not be the same as those in

> the prior suit in order to raise the question of collateral estoppel. Collateral estoppel may be used as either a sword or a shield by a stranger to the prior action, as long as the party against whom the defense is invoked is the same.

Day v. Volkswagenwerk Aktiengesellschaft, 464 A.2d 1313, 1319, (Pa. Super. 1983) (some formatting altered and citation omitted). "Collateral estoppel . . . presents a question of law. Like all questions of law, our standard of review is *de novo* and our scope of review is plenary." ***Gregg v. Ameriprise Financial, Inc.***, 195 A.3d 930, 935 (Pa. Super. 2018).

Here, the Cardinales argue that the first and fourth prongs of the test for collateral estoppel were not met.[2] ***See*** Cardinales' Brief at 17, 27; ***Llaurado***, 223 A.3d at 253 (setting forth the test for collateral estoppel). Specifically, the Cardinales assert that they were not afforded a full and fair opportunity to litigate their damages at arbitration and that the trial court erred by applying collateral estoppel to cap their UIM benefits at $64,976.86 because the gross arbitration award of $164,976.86 exceeded the third-party policy limits of $100,000. ***See*** Cardinales' Brief at 15-34.

Erie responds that the sole issue on appeal is whether collateral estoppel bars the Cardinales from recovering UIM benefits beyond $64,976.86, the amount by which the arbitration award of $164,976.86 exceeded Lunny's

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[2] Because the Cardinales challenge only the first and fourth prongs and offer no developed argument as to the second, third, and fifth, any challenge to those prongs is waived. ***See In re Estate of Anderson***, 317 A.3d 997, 1003 (Pa. Super. 2024) (explaining that issues that are not developed in the appellant's brief are abandoned and, therefore, waived). Accordingly, we address only prongs one and four of the test set forth in ***Llaurado***.

policy limits. Erie contends that the trial court correctly applied the doctrine, as the damages arising from the August 29, 2018 accident were fully adjudicated during binding arbitration, leaving no basis for the Cardinales to re-litigate the extent of their damages in a subsequent proceeding against Erie. ***See*** Erie's Brief at 8.

The record reflects that the arbitrator's award provided, in relevant part, as follows:

> AND NOW this 26th day of May 2023, upon consideration of the Memoranda and exhibits submitted by both parties plus testimony received before me on May 24, 2023, I hereby Award as follows:
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> 1. Past, present & future pain and suffering to [Mrs.] Cardinale $140,000.00
> 2. Past, present & future loss of consortium to [Mr.] Cardinale $10,000.00
> 3. Medical expenses $ 14,987.00
>
> Gross Award $164,987.00

Arbitration Award, 5/26/23 (single page) (some formatting altered).

In the order granting Erie's motion for summary judgment, the trial court explained:

> The litigation of any further issues are identical to those presented at the arbitration. The arbitration rendered a final judgment on the merits. The party against whom the plea is asserted was in privity with a party in the arbitration. The party or person in the doctrine as asserted had a full and fair opportunity to litigate the issues at the arbitration. Lastly, the arbitration was essential to the judgment.

Order, 11/5/25 at 2 (unnumbered).

In ***Incollingo v. Maurer***, 575 A.2d 939 (Pa. Super. 1990), this Court addressed a scenario similar to the case at bar. That matter arose from an automobile accident in which Incollingo was injured when a truck operated by Keith Alan Maurer, and owned by Maurer Enterprises, Inc., swerved into oncoming traffic and struck his vehicle. Maurer allegedly swerved to avoid an unidentified "phantom" vehicle that had suddenly stopped, though that vehicle was never physically involved in the accident and was never identified. ***See id.*** at 940.

Incollingo sued his own insurer for uninsured motorist (UM) benefits based on the phantom vehicle's alleged negligence, with coverage capped at $90,000. An arbitration panel found the phantom vehicle liable and awarded Incollingo $70,000. Incollingo then filed a personal injury suit against Maurer and Maurer Enterprises, Inc., seeking additional damages including lost future income arising from the same accident. The trial court granted summary judgment in favor of Maurer and Maurer Enterprises, Inc., on collateral estoppel grounds, and Incollingo appealed, arguing that collateral estoppel was improper because he was not fully compensated, the arbitration panel did not explain the basis for its award, and Maurer and Maurer Enterprises, Inc., were not parties to the arbitration. ***See id.***

The ***Incollingo*** Court affirmed, holding that Incollingo's damages claim was barred by collateral estoppel. Relevant to our discussion in the instant case, on the first prong of the test for collateral estoppel, the Court found that the arbitration panel had been expressly asked to determine both liability and

damages resulting from the accident, and that Incollingo had presented evidence of his personal injuries, medical treatment, pain and suffering, and past and future earnings. The arbitration panel found in Incollingo's favor and awarded him $70,000. Further, on the fourth prong, the full and fair opportunity to litigate, the ***Incollingo*** Court concluded that Incollingo had been free to present whatever evidence he wished regarding his damages, and that the arbitration panel had been fully apprised of the extent of those damages. ***See id.*** at 941-42.

In ***Sterling v. Fineman***, 630 A.2d 1224 (Pa. Super. 1993), the plaintiffs were in an accident involving defendant Anne Fineman (Fineman) and a phantom hit and run driver. The plaintiffs filed a claim for UM benefits, contending that the phantom vehicle bore partial responsibility for their injuries. The applicable UM policy carried policy limits of $100,000 per person and $300,000 per occurrence. Following a UM arbitration hearing, the arbitration panel awarded $40,000 to the plaintiff driver and $50,000 to the plaintiff passenger. In the separate tort action, Fineman moved for summary judgment, asserting that collateral estoppel barred re-litigation of the damages issue, which had already been resolved through the UM arbitration. Fineman's motion for summary judgment was granted based on collateral estoppel. ***See id.*** at 1225-26.

On appeal to this Court, the plaintiffs contended that since the arbitration panel's award covered only injuries sustained up to the date of the hearing, any medical expenses arising afterward represented new damages

not subject to estoppel. Fineman countered that because the plaintiffs had already recovered for injuries arising from the same accident, they had been fully compensated and could not seek additional damages. The ***Sterling*** Court rejected the plaintiffs' position and, in affirming the order granting summary judgment based on collateral estoppel, stated:

> Instantly, plaintiffs proceeded in arbitration on the theory that the phantom driver caused the accident and the resulting injuries. Plaintiffs are not before us contending that the claims raised in the prior arbitration are different from those raised instantly. Rather, plaintiffs argue that the damages sought previously differ from those demanded instantly in that they have been incurred since the arbitration. However, the injuries (claims) upon which these new and different damages are based remain the same as were heard in the prior arbitration. Indeed, counsel's own statements reflect that the additional damages sought are those incurred in the continued treatment of the same injuries. We believe that based upon the authority of ***Incollingo***, we must reject plaintiffs' arguments herein and hold that summary judgment was properly granted. The present state of the law would hold that where a plaintiff has previously litigated a claim under the uninsured motorist provisions of an insurance policy, he is collaterally estopped from pursuing the same claim of injury again against a new defendant even though he may have incurred additional damages.

Id. at 1230.

Here, the Cardinales argue that ***Incollingo*** and ***Sterling*** are distinguishable. ***See*** Cardinales' Brief at 17-21. The Cardinales contend that in both ***Incollingo*** and ***Sterling***, the appellants were awarded full compensation for their injuries during arbitration because they were awarded damages within the applicable policy limits. ***See*** Cardinales' Brief at 17-21. Here, however, the Cardinales' damages were in excess of the $100,000.00

policy limit. ***Id.*** at 21. The Cardinales aver that ***Incollingo*** and ***Sterling*** apply only when the award falls below the tortfeasor's policy limits, and that an award exceeding those limits is beyond the arbitrator's jurisdiction. ***Id.*** at 22. The Cardinales further assert that the arbitrator's jurisdiction was limited to addressing only the third-party issue and did not involve claims concerning coverage under the Erie policy of insurance. ***Id.*** In support, the Cardinales state:

> It is clear by the actions of the [Cardinales] that due to the policy constraints and the arbitrator's limited jurisdiction their strategy at the arbitration was to offer only the amount of damages they believed would be necessary in order to exhaust the third-party policy limit in the arbitration. In furtherance of this, the [Cardinales] invited [Erie] to attend the third-party arbitration but [Erie] by and through Mr. Andrew Waxman, declined to participate. In doing so, the [Cardinales] were under the impression that by declining to attend the arbitration, the UIM policy afforded to the [Cardinales] by [Erie] would not be implicated nor included in any way by the third-party arbitration.

Id. at 22-23.

Pursuant to ***Incollingo*** and ***Maurer***, damages arising from a single accident that were resolved in arbitration cannot be re-litigated in a later proceeding. ***Incollingo***, 575 A.2d at 942; ***Sterling***, 630 A.2d at 1230. As stated above, the Cardinales contend that ***Incollingo*** and ***Sterling*** apply only in cases where an arbitration award falls short of the tortfeasor's policy limits, and that any award exceeding those limits lies outside the arbitrator's jurisdiction. Cardinales' Brief at 20-24. However, the Cardinales offer no authority directly on point to support this conclusion. Moreover, because the

arbitration agreement and its limitations were never presented to the arbitrator, we conclude that he was unconstrained in his authority to award whatever amount he deemed necessary to fully compensate the Cardinales. The arbitration agreement that capped the Cardinales' recovery from the third-party tortfeasor was an arrangement between the Cardinales and the third-party tortfeasor and had no effect on the arbitrator's jurisdiction. While the arbitrator did not know the terms of the agreement, the Cardinales did, and they were therefore aware that it did not contain any limitations with respect to the amount of the possible award or limiting language concerning collateral estoppel.[3]

Additionally, we find no support for the Cardinales' position that their omission of certain damages defeats collateral estoppel. The Cardinales' strategy at arbitration was deliberately limited to presenting only evidence of

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[3] In their reply brief, the Cardinales cite to ***Muse v. Cermak***, 630 A.2d 891 (Pa. Super. 1993), as support for their claim that collateral estoppel should not apply in the case at bar. Cardinales' Reply Brief at 6-7. ***Muse*** is distinguishable. In ***Muse***, the arbitration **expressly stated** that any decision made under that arbitration agreement

> is not *res judicata* to the same or similar issues in companion claims or any other claim between the arbitrating companies. It is conclusive only of the controversy in the claim submitted to the panel and has no legal or moral effect on any other claim or suit arising out of the same accident or occurrence.

Muse, 630 at 893. In the instant case, there was no limiting language concerning collateral estoppel or *res judicata* in the arbitration agreement, and as such, we cannot conclude ***Muse*** applies or that the arbitration agreement precluded the application of collateral estoppel.

damages to exhaust the third-party policy limits, and they invited Erie to attend, but Erie declined. ***See*** Cardinales' Brief at 22-23. At arbitration, the Cardinales chose not to present certain evidence of Mrs. Cardinale's damages. The Cardinales' failure to present evidence was a choice of their own making, as there is no support in the record that they were precluded from raising any and all damages. Their decision not to pursue certain claims at that time was their own, and they cannot now use that omission as a basis to escape the estoppel bar. ***Sterling*** expressly held that post-arbitration damages for the same injuries are precluded, ***Sterling***, 630 A.2d at 1230, and furthermore, we find persuasive the decision in ***Anthem Personal Ins. Co. v. Vargo***, 30 Pa. D. & C.4th 193, 198-99, 1996 WL 908702, at *4 (C.C.P. Bucks 1996).[4]

In ***Anthem***, the Bucks County Court of Common Pleas rejected the defendants' contention that because they did not put on their full case with all their evidence, collateral estoppel should not apply to preclude their subsequent UIM claim against Anthem after arbitration. The ***Anthem*** Court stated "whether this was a tactical mistake on the part of the defendants or whether they undervalued their case in agreeing to submit to a hearing where there was a $25,000 cap and now believe they should have gotten more for their injuries, is of no concern to us" as the defendants were bound by the prior arbitration proceeding and concluding that defendants were estopped

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[4] ***See Huber v. Etkin***, 58 A.3d 772, 778 n.5 (Pa. Super. 2012) (noting that decisions from the courts of common pleas are not binding precedent on appellate courts but may be considered for their persuasive authority).

from pursuing the UIM claim after arbitration. ***Id.*** at *4. Having chosen not to advance certain claims during arbitration, the Cardinales cannot now point to that deliberate omission as a means of avoiding the consequences of collateral estoppel.

Moreover, we fail to see how Erie's decision not to participate in the arbitration impacts the collateral estoppel analysis. Here, the Cardinales, the party against whom collateral estoppel is asserted was a party to the arbitration, and Erie's participation or lack thereof was immaterial to the application of collateral estoppel. ***See Llaurado***, 223 A.3d at 253 (setting forth the requirements for the doctrine of collateral estoppel).[5]

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[5] The Cardinales cite to ***McNally vs. Dagney***, 510 A.2d 722 (Pa. Super. 1986), and assert that it is unclear whether the trial court relied on the evidence when finding that the Cardinales had a full and fair opportunity to argue the issue of damages because the trial court mentioned only the arbitrator's award and the concept of collateral estoppel in its opinion. ***See*** Cardinales' Brief at 29-31. In ***McNally***, the plaintiff was a passenger in an automobile involved in a collision with a vehicle being driven by an unknown driver. The plaintiff brought an action against his own insurer under the UM provisions of his policy. Following arbitration, the plaintiff was awarded damages in an amount less than the policy coverage. The plaintiff then proceeded with a trespass action against the driver of the vehicle in which he was a passenger (the defendant). The trial court entered summary judgment in favor of the defendant. The plaintiff appealed, and this Court reversed and remanded for further proceedings. The ***McNally*** Court stated that the plaintiff is not entitled to recover duplicate damages, but on the record before the Court, it was impossible to determine if the plaintiff was seeking to recover identical damages. The Court further noted "a second automobile accident in which [plaintiff] was involved," and remarked that documents concerning that separate accident "may be relevant to the extent that [plaintiff's] injuries resulting from the two accidents overlap." ***Id.*** at 725, n.7. Ultimately, the ***McNally*** Court concluded that there was insufficient evidence to determine if identical issues were litigated in the prior proceeding and remand was

(Footnote Continued Next Page)

After careful review, we conclude that the first and fourth prongs of the collateral estoppel test were satisfied. ***See Llaurado***, 223 A.3d at 253 (setting forth the five-pronged test for the application of collateral estoppel). The damages arising from the automobile accident were at issue in both the arbitration proceeding and the subsequent claims against Erie, and the Cardinales were afforded a full and fair opportunity to litigate that issue in the arbitration proceeding. Accordingly, we discern no error in the trial court decision, and we affirm the order granting summary judgment in favor of Erie. ***See TCS Black Label Realty***, 352 A.3d at 538.

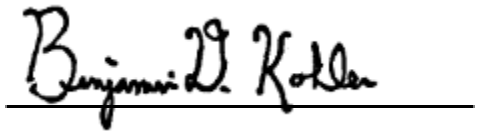
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necessary to determine whether the damages claimed in the trespass action were the same as those claimed in the arbitration proceeding. ***Id.*** at 725.

Here, while the trial court did not provide its findings or the rationale for its decision in its opinion or order, we may affirm the trial court on any correct basis. ***See Shamnoski v. PG Energy a Div. of Southern Union Co.***, 765 A.2d 297, 303 (Pa. Super. 2000). In the instant matter, we are neither faced with a second automobile accident, nor a record that is unclear or so lacking in information that we cannot discern what was raised at arbitration and what the Cardinales sought to recover from Erie. We conclude that remand is therefore not necessary and ***McNally*** is inapposite.

Order affirmed.

Judgment Entered.



Benjamin D. Kohler, Esq.
Prothonotary

Date: 11/19/2026