Gallardo v. Marstiller

PETITIONER

Gianinna Gallardo, an Incapacitated Person, By and

Through her Parents and Co-Guardians Pilar Vassallo and

Walter Gallardo

RESPONDENT

Simone Marstiller, In Her Official Capacity as Secretary of

the Florida Agency for Health Care Administration

DOCKET NO.

20-1263

DECIDED BY

Roberts Court (/courts?court=Roberts Court)

LOWER COURT

United States Court of Appeals for the Eleventh Circuit

CITATION

596 US (2022)

(https://supreme.justia.com/cases/federal/us/596/20-

<u>1263)</u>

GRANTED

Jul 2, 2021

ARGUED

Jan 10, 2022

DECIDED

Jun 6, 2022

ADVOCATES

Bryan S. Gowdy (advocates/bryan_s_gowdy)

for the Petitioner

<u>Vivek Suri (advocates/vivek suri)</u>

for the United States, as amicus curiae, supporting the

Petitioner

Henry C. Whitaker (advocates/henry c whitaker)

for the Respondent

Facts of the case

Gianinna Gallardo suffered catastrophic injuries when she was hit by a truck after getting off her school bus, and she remains in a persistent vegetative state. She eventually recovered \$800,000 in a court-approved settlement, which applied to her past medical expenses, future medical expenses, lost wages, and other damages. However, the settlement amount covered only a fraction of each type of damages.

Medicaid had paid \$862,688.77 toward her past medical expenses, so in an attempt to recover reimbursement for its payments, pursuant to Florida law, the State of Florida asserted a lien over the compensation for past medical expenses, which Medicaid had paid, as well as the compensation for future medical expenses.

Gallardo's counsel filed a lawsuit asking the court to enjoin the state from asserting its lien over the portion of her tort recovery compensating for future medical expenses and to declare that Florida's reimbursement statute violates the Medicaid Act. The district court ruled for Gallardo, finding that the Medicaid Act preempted the Florida law to the extent that the law allows the State to satisfy its lien for past medical expenses from the portion of the beneficiary's tort recovery that compensates for future medical expenses. The U.S. Court of Appeals for the Eleventh Circuit reversed.

Question

Does the federal Medicaid Act provide for a state Medicaid program to recover reimbursement for Medicaid's payment of a beneficiary's past medical expenses by taking funds from the portion of the beneficiary's tort recovery that compensates for future medical expenses?

Conclusion

Sort: <u>by seniority</u> <u>by ideology</u>

7–2 DECISION FOR MARSTILLER
MAJORITY OPINION BY CLARENCE THOMAS

The Medicaid Act permits a State to seek reimbursement from settlement payments allocated for future medical care.

John G. Roberts, Jr. Elena Kagan Amy Coney Barrett Sonia Sotomayor

ence Thomas Samuel A. Alito, Jr. Brett M. Kavanaugh Neil Gorsuch

Stephen G. Br

The Medicaid Act permits a state to seek reimbursement from settlement payments allocated for future medical care. Justice Clarence Thomas authored the 7–2 majority opinion.

Section 1396p(a)(1) of the Medicaid Act prohibits states from recovering medical payments from a beneficiary's "property," that is, from settlement amounts other than those allocated for past medical care paid for by Medicaid. But that provision does not apply to state laws expressly authorized under the Act. Florida's Medicaid Third-Party Liability Act falls squarely within this exception to Section 1396p(a)(1). The plain text of the provision, as well as the statutory context, support this interpretation. The language granting rights to payment of "any medical care" includes both past medical payments and future medical payments.

Justice Sonia Sotomayor authored a dissenting opinion, in which Justice Stephen Breyer joined. Justice Sotomayor argued that the majority "read[s] one statutory provision in isolation while giving short shrift to the statutory context, the relationships between the provisions at issue, and the framework set forth in precedent. As such, Justice Sotomayor argued, its holding "is inconsistent with the structure of the" Medicaid program and will cause needless unfairness and disruption.

Cite this page

APA Bluebook Chicago MLA

[&]quot;Gallardo v. Marstiller." *Oyez*, www.oyez.org/cases/2021/20-1263. Accessed 10 Aug. 2022.