

NORTH DAKOTA SUPREME COURT

Recovery Resources, LLC v. Cupido

818 N.W.2d 787 (N.D. 2012) · Decided July 12, 2012

SUMMARY

The North Dakota Supreme Court affirmed summary judgment holding Helen Cupido jointly and severally liable for medical debt incurred by her former spouse while they were married and living together. The court held that N.D.C.C. §§ 14-07-08(3) and 14-07-10 imposed liability despite the divorce judgment allocating the debt to her former spouse. The divorce judgment's indemnification provision did not limit the creditor's right to recover from Helen, although she could seek indemnification from her former spouse.

CASE DETAILS

COURT	North Dakota Supreme Court
WRITING FOR THE COURT	Maring, Justice; Gerald W. Vande Walle, C.J.; Daniel J. Crothers, J.; Dale V. Sandstrom, J.; Carol Ronning Kapsner, J.; Maring, J.
JURISDICTION	North Dakota
DECIDED	July 12, 2012
DISPOSITION	affirmed
PROCEDURAL POSTURE	Appeal from a trial court order granting the creditor's motion for summary judgment in a medical-debt collection action.
STANDARD OF REVIEW	Summary judgment is reviewed de novo on the record. The evidence is viewed in the light most favorable to the party opposing the motion, with that party receiving the benefit of all favorable reasonable inferences.
PRECEDENTIAL VALUE	Published North Dakota Supreme Court opinion; precedential.
PARTIES	Helen Cupido v. Recovery Resources, LLC

TOPICS

[summary judgment](#) [family law](#) [dissolution of marriage](#) [statutory interpretation](#) [civil procedure](#)

PRACTICE AREAS

[family law](#) [civil procedure](#) [health law](#) [debt collection](#)

QUESTIONS PRESENTED

1. Whether Helen Cupido was jointly and severally liable under N.D.C.C. §§ 14-07-08(3) and 14-07-10 for necessary medical debt incurred by David while the spouses were married and living together.
2. Whether the divorce judgment's allocation of the debt to David and its indemnification provision barred Recovery Resources, a nonparty to the divorce proceeding, from collecting the debt from Helen.

HOLDINGS

1. A spouse is jointly and severally liable under N.D.C.C. § 14-07-08(3) and mutually liable under N.D.C.C. § 14-07-10 for necessary medical-care debt incurred by either spouse while the spouses were married and living together, even if the non-incurring spouse did not sign for or guarantee the services.
2. A divorce judgment allocating a debt between spouses and requiring indemnification does not affect a third-party creditor's statutory right to collect the debt from either liable spouse. The creditor's lack of participation in the divorce proceeding prevents the divorce judgment from barring the collection action.

KEY QUOTATIONS

“Under N.D.R.Civ.P. 56, summary judgment is a procedural device for promptly resolving a controversy on the merits without a trial if there are no genuine issues of material fact or inferences that can reasonably be drawn from undisputed facts, or if the only issues to be resolved are questions of law.” (¶ 5)

“The plain language of N.D.C.C. § 14-07-08(3) requires that for a husband and wife to be jointly and severally liable, the parties were married, were living together, and the medical care was necessary at the time the debt was incurred.” (¶ 7)

“This division determines responsibility between the parties for the debt. However, a creditor is not a party to an action for divorce and so the general rule applies that the adjudication of a fact is not res judicata as to a stranger to the action.” (¶ 10)

FACTUAL BACKGROUND

Helen and David Cupido were married and living together when David incurred medical expenses at St. Alexius Medical Center in March 2010. They divorced in April 2011, and the divorce judgment assigned responsibility for the debt to David and included mutual indemnification language. Recovery Resources later sought payment from both spouses, and Helen argued that the divorce judgment eliminated her liability to the creditor.

PROCEDURAL HISTORY

Recovery Resources sued Helen and David Cupido to collect \$9,494.61 in medical expenses incurred by David during the parties' marriage. David defaulted, while Helen denied liability, cross-claimed for indemnity, and moved for summary judgment based on the divorce judgment's allocation of the debt to David. The trial court denied Helen's motion and granted summary judgment to Recovery Resources. Helen appealed.

DISPOSITION

affirmed

CASES CITED

- Kost v. Kraft, 2011 ND 69, ¶ 4, 795 N.W.2d 712
- Bragg v. Burlington Res. Oil & Gas Co., 2009 ND 38, ¶ 5, 763 N.W.2d 481
- Eckmann v. Northwestern Fed. Savings & Loan Ass'n, 436 N.W.2d 258, 260 (N.D. 1989)
- N.D. Public Serv. Comm'n v. Valley Farmers Bean Ass'n, 365 N.W.2d 528, 530-31 (N.D. 1985)
- Keig v. Keig, 270 N.W.2d 558 (N.D. 1978)
- Peters-Riemers v. Riemers, 2002 ND 72, ¶ 22, 644 N.W.2d 197
- Simpson v. Chicago Pneumatic Tool Co., 2005 ND 55, ¶ 8, 693 N.W.2d 612
- Bismarck Pub. Sch. Dist. v. Hirsch, 136 N.W.2d 449, 451 (N.D. 1965)
- Community Guardian Bank v. Hamlin, 182 Ariz. 627, 898 P.2d 1005, 1009 (Ariz. Ct. App. 1995)
- Gardner Aldrich, LLP v. Tedder, 2011 WL 3546589 (Tex. Ct. App. 2011)
- Blake v. Amoco Fed. Credit Union, 900 S.W.2d 108, 111 (Tex. Ct. App. 1995)
- St. Mary of Nazareth Hospital v. Kuczaj, 174 Ill. App. 3d 268, 123 Ill. Dec. 745, 528 N.E.2d 290 (1988)
- Mountrail Bethel Home v. Lovdahl, 2006 ND 180, ¶ 14, 720 N.W.2d 630