

SUPREME COURT OF ARKANSAS

Ark. Dep't of Human Servs. v. Ledgerwood

571 S.W.3d 1 (Ark. 2019) · Decided April 11, 2019

SUMMARY

The Arkansas Supreme Court dismissed as moot the Arkansas Department of Human Services' appeal concerning a permanent injunction against the 2015 ARChoices Medicaid waiver rule. The injunction had been dissolved after DHS promulgated a new rule that the circuit court found was properly promulgated under the Arkansas Administrative Procedure Act. The court declined to apply the exceptions to mootness for issues capable of repetition yet evading review or matters of substantial public interest.

CASE DETAILS

COURT	Supreme Court of Arkansas
WRITING FOR THE COURT	Shawn A. Womack
JURISDICTION	Arkansas
DECIDED	April 11, 2019
DISPOSITION	dismissed
PROCEDURAL POSTURE	DHS appealed a permanent injunction barring use of the methodology in its 2015 ARChoices Medicaid waiver rule unless and until the rule was properly promulgated under the Arkansas Administrative Procedure Act. While the appeal was pending, DHS promulgated a new rule, and the circuit court dissolved the permanent injunction.
STANDARD OF REVIEW	The court independently assessed whether the appeal presented a live, justiciable controversy and whether an exception to the mootness doctrine warranted review.
PRECEDENTIAL VALUE	Published Arkansas Supreme Court opinion; precedential
PARTIES	Arkansas Department of Human Services v. Ledgerwood and other named Plaintiff-Appellees

TOPICS

mootness

administrative procedure act

rulemaking

judicial review of agency action

medicare medicaid

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether the appeal became moot after DHS promulgated a new rule and the circuit court dissolved the permanent injunction.
2. Whether the appeal fell within the exceptions to mootness for matters capable of repetition yet evading review or matters of substantial public interest likely to be litigated in the future.

HOLDINGS

1. The appeal was moot because the permanent injunction no longer existed and no judgment by the Supreme Court could have a practical legal effect on an existing controversy.
2. Neither the capable-of-repetition-yet-evading-review exception nor the substantial-public-interest exception justified deciding the moot appeal.

KEY QUOTATIONS

“A case is moot when any judgment rendered would not have any practical legal effect upon a then existing legal controversy.” (571 S.W.3d at 2)

“There is accordingly no live controversy for this court to resolve and the case is undoubtedly moot.” (571 S.W.3d at 2)

FACTUAL BACKGROUND

DHS had adopted a 2015 ARChoices Medicaid waiver rule, and the circuit court permanently enjoined DHS from using the rule's methodology unless it was properly promulgated under the Arkansas Administrative Procedure Act. While DHS's appeal was pending, it promulgated a new rule that took effect on October 1, 2018. The circuit court found the new rule properly promulgated and dissolved the permanent injunction, eliminating the continuing controversy concerning the 2015 rule.

PROCEDURAL HISTORY

In *Ledgerwood I*, the Arkansas Supreme Court upheld a temporary restraining order enjoining application of the 2015 ARChoices rule to the named appellees. On remand, the circuit court entered a permanent injunction against the program in its entirety. During DHS's appeal, DHS promulgated a new rule, the circuit court found the new rule properly promulgated under the APA, and it dissolved the permanent injunction. The Supreme Court dismissed the appeal as moot.

DISPOSITION

dismissed

CASES CITED

- Ark. Dep't of Human Servs. v. *Ledgerwood*, 2017 Ark. 308, 530 S.W.3d 336

- Terry v. White, 374 Ark. 387, 288 S.W.3d 199 (2008)
- Protect Fayetteville v. City of Fayetteville, 2019 Ark. 28, 566 S.W.3d 105 (2019)
- Wright v. Keffer, 319 Ark. 201, 890 S.W.2d 271 (1995)
- Duhon v. Gravett, 302 Ark. 358, 790 S.W.2d 155 (1990)

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