

SUPREME COURT OF NEW JERSEY

Vincent Hager v. M&K Construction

246 N.J. 1 (2021) · No. A-64-19; 084045 · Decided April 13, 2021

SUMMARY

The Supreme Court of New Jersey held that a workers’ compensation court could require M&K Construction to reimburse an employee for prescribed medical marijuana and related expenses. The court concluded that M&K was not exempt from reimbursement under the New Jersey Compassionate Use Medical Cannabis Act and that the treatment was reasonable and necessary under the Workers’ Compensation Act. It further held that, for the relevant period, federal appropriations restrictions suspended application of the Controlled Substances Act to conduct compliant with New Jersey’s medical-marijuana law, so the state law was not preempted as applied.

CASE DETAILS

COURT	Supreme Court of New Jersey
WRITING FOR THE COURT	Justice Solomon; Chief Justice Rabner; Justice LaVecchia; Justice Albin; Justice Patterson; Justice Fernandez-Vina; Justice Pierre-Louis
JURISDICTION	New Jersey
DECIDED	April 13, 2021
DOCKET	A-64-19; 084045
DISPOSITION	affirmed
PROCEDURAL POSTURE	M&K Construction sought review of a workers’ compensation order requiring it to reimburse Vincent Hager for prescribed medical-marijuana expenses. The Appellate Division affirmed, and the Supreme Court of New Jersey granted M&K’s petition for certification.
STANDARD OF REVIEW	Workers’ compensation factual findings are reviewed for whether they could have been reached on sufficient credible evidence in the record and receive substantial deference; legal findings and statutory construction are reviewed de novo.
PRECEDENTIAL VALUE	published precedential opinion
PARTIES	M&K Construction v. Vincent Hager

TOPICS

workers compensation

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PRACTICE AREAS

workers compensation

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QUESTIONS PRESENTED

1. Whether M&K Construction qualified as a government medical assistance program or private health insurer exempt from reimbursement under N.J.S.A. 24:6I-14.
2. Whether prescribed medical marijuana could constitute reasonable and necessary treatment compensable under the New Jersey Workers' Compensation Act.
3. Whether the federal Controlled Substances Act preempted New Jersey's Compassionate Use Medical Cannabis Act as applied to an order requiring M&K to reimburse Hager.
4. Whether compliance with the reimbursement order exposed M&K to federal aiding-and-abetting or conspiracy liability.

HOLDINGS

1. M&K Construction did not qualify as either a government medical assistance program or a private health insurer and therefore was not exempt from reimbursing Hager's medical-marijuana costs.
2. Medical marijuana may constitute reasonable and necessary care under New Jersey's workers' compensation scheme when supported by competent medical testimony.
3. The federal Controlled Substances Act did not preempt New Jersey's Compassionate Use Medical Cannabis Act as applied to the reimbursement order.
4. M&K did not face a credible threat of federal aiding-and-abetting or conspiracy liability by complying with the court-ordered reimbursement obligation.

KEY QUOTATIONS

"Thus, competent evidence relating to medical marijuana's ability to restore some of a worker's function or, as in Hager's case, relieve symptoms such as chronic pain and discomfort, is sufficient to find such a course of treatment appropriate." (21-22)

"Because DOJ enforcement of the CSA may not, by congressional action, interfere with activities compliant with the Compassionate Use Act, we find that there is no "positive conflict" and that the CSA and the Act may coexist as applied to the Order." (44-45)

"M&K's position that it faces aiding-and-abetting liability because it will reimburse Hager while knowing what the funds will be used for does not persuade us that it satisfies the specific intent requirement when the facts so clearly indicate that it will be doing so against its will and at the behest of this Court." (49)

FACTUAL BACKGROUND

Vincent Hager suffered a severe work-related back injury while employed by M&K Construction in 2001 and thereafter underwent surgery and continued opioid treatment for chronic pain. In 2016, a physician enrolled Hager in New Jersey's medical-marijuana program both to manage his pain and to help him discontinue opioids. After weighing competing medical testimony, the workers' compensation court found medical marijuana to be the clearly indicated treatment option and ordered M&K to reimburse Hager's ongoing costs.

PROCEDURAL HISTORY

Hager petitioned for workers' compensation benefits in February 2002. After a workers' compensation trial conducted from November 2016 through March 2018, the compensation court found Hager permanently and totally disabled for purposes of the relevant claim and ordered M&K to reimburse the costs of his prescribed medical marijuana and related expenses. The Appellate Division affirmed the order, 462 N.J. Super. 146 (App. Div. 2020), and the Supreme Court granted certification, 241 N.J. 484 (2020).

DISPOSITION

affirmed

CASES CITED

- Guttenberg Sav. & Loan Ass'n v. Rivera, 85 N.J. 617, 623 (1981)
- Prado v. State, 186 N.J. 413, 426 (2006)
- Squeo v. Comfort Control Corp., 99 N.J. 588, 604-607 (1985)
- Howard v. Harwood's Rest. Co., 25 N.J. 72, 88, 93-94 (1957)
- Hanrahan v. Township of Sparta, 284 N.J. Super. 327, 333, 336 (App. Div. 1995)
- Raso v. Ross Steel Erectors, Inc., 319 N.J. Super. 373, 383 (App. Div. 1999)
- Robertson v. Seattle Audubon Soc'y, 503 U.S. 429, 440 (1992)
- United States v. McIntosh, 833 F.3d 1163, 1176-79 (9th Cir. 2016)
- City of Camden v. Byrne, 82 N.J. 133, 153-55 (1980)
- Gonzales v. Oregon, 546 U.S. 243, 251 (2006)
- Rosemond v. United States, 572 U.S. 65, 76, 79-80 (2014)
- United States v. Centeno, 793 F.3d 378, 387 (3d Cir. 2015)
- United States v. Ruiz, 932 F.2d 1174, 1182 (7th Cir. 1991)
- United States v. Korey, 472 F.3d 89, 93 (3d Cir. 2007)
- Bourgoin v. Twin Rivers Paper Co., 187 A.3d 10, 22 (Me. 2018)
- Wright's Case, 156 N.E.3d 161, 175 (Mass. 2020)