

SUPREME COURT OF RHODE ISLAND

Maria Esposito, as Executrix of the Estate of Marion T. Thomson v.
James P. O'Hair et al.

886 A.2d 1197 (R.I. 2005) · No. No. 2004-186-Appeal · Decided December 19, 2005

SUMMARY

The Rhode Island Supreme Court held that Medicaid is not a "state income disability" act within the meaning of Rhode Island General Laws § 9-19-34.1. Accordingly, Medicaid payments could not be introduced as collateral-source evidence to reduce damages in the medical malpractice action. The court affirmed the Superior Court's judgment and declined to reach the plaintiff's federal preemption and constitutional arguments.

CASE DETAILS

COURT	Supreme Court of Rhode Island
WRITING FOR THE COURT	Justice Flaherty; Chief Justice Williams; Justice Goldberg; Justice Suttell; Justice Robinson
JURISDICTION	Rhode Island
DECIDED	December 19, 2005
DOCKET	No. 2004-186-Appeal
DISPOSITION	affirmed
PROCEDURAL POSTURE	Defendants appealed from the Superior Court's judgment granting plaintiff's motion and rejecting defendants' attempt to reduce stipulated medical-expense damages by the amount paid by Medicaid.
STANDARD OF REVIEW	De novo review applies to questions of statutory interpretation. Because the parties stipulated to damages and no material facts were disputed, the Superior Court applied a summary-judgment standard.
PRECEDENTIAL VALUE	published precedential opinion of the Supreme Court of Rhode Island
PARTIES	James P. O'Hair et al. v. Maria Esposito, as Executrix of the Estate of Marion T. Thomson

TOPICS

- statutory interpretation
- medical malpractice
- damages
- evidence
- health law

PRACTICE AREAS

medical malpractice

statutory interpretation

tort damages

evidence

health law

QUESTIONS PRESENTED

1. Whether Medicaid benefits qualify as payments made pursuant to a state income disability act under Rhode Island General Laws § 9-19-34.1 and therefore may be introduced to reduce damages in a medical-malpractice action.
2. Whether the court needed to reach plaintiff's federal-preemption, due-process, and equal-protection challenges to § 9-19-34.1.

HOLDINGS

1. Medicaid is not a state income disability act within the meaning of § 9-19-34.1, and Medicaid payments therefore are not admissible collateral-source payments for reducing a plaintiff's medical-malpractice damages under that statute.
2. A statute that narrows the common-law collateral-source rule and limits a plaintiff's recovery is not to be liberally expanded merely because it is intended to address broader social or insurance-cost concerns.

KEY QUOTATIONS

“Therefore, disability is not the lynchpin to the receipt of Medicaid; having a disability does not guarantee that a person will receive Medicaid, nor is being disabled a necessary condition to receive Medicaid benefits.” (886 A.2d at 1204)

“We see no evidence the Legislature intended § 9-19-34.1 to relieve private tortfeasors and their insurers from liability at the taxpayers' expense, and therefore we conclude that the Legislature intended the term “income disability act” to mean an act that provides income to persons who are disabled.” (886 A.2d at 1204)

FACTUAL BACKGROUND

Marion Thomson sued medical providers and physicians for allegedly failing to diagnose her Hodgkins Lymphoma and died from the disease on March 15, 2003. After substitution of her executrix, the parties settled for \$440,000 plus \$381,689.26 representing medical expenses paid by Rhode Island Medicaid. Defendants sought to use those Medicaid payments to reduce their liability under the medical-malpractice collateral-source statute.

PROCEDURAL HISTORY

Marion Thomson filed a medical-malpractice action alleging that defendants negligently failed to diagnose her Hodgkins Lymphoma. After Thomson died, Maria Esposito was substituted as executrix, and the parties entered a settlement under which \$381,689.26 in medical expenses paid by Medicaid was set aside. Defendants moved for judgment as a matter of law seeking an offset under Rhode Island General Laws § 9-19-34.1; plaintiff cross-moved for judgment, arguing that Medicaid was not a state income disability act. The Superior Court entered judgment for plaintiff, and the Supreme Court affirmed.

DISPOSITION

affirmed

REMAND INSTRUCTIONS

The record was remanded to the Superior Court.

CASES CITED

- Webster v. Perrotta, 774 A.2d 68 (R.I. 2001)
- Carlson v. McLyman, 77 R.I. 177, 74 A.2d 853 (1950)
- Simeone v. Charron, 762 A.2d 442 (R.I. 2000)
- Moniz v. Providence Chain Co., 618 A.2d 1270 (R.I. 1993)
- Votolato v. Merandi, 747 A.2d 455 (R.I. 2000)
- Colvin v. Goldenberg, 108 R.I. 198, 273 A.2d 663 (1971)
- Oddo v. Cardi, 100 R.I. 578, 218 A.2d 373 (1966)
- Boucher v. Sayeed, 459 A.2d 87 (R.I. 1983)
- St. Paul Fire & Marine Insurance Co. v. Barry, 438 U.S. 531, 537 n. 6, 98 S. Ct. 2923, 57 L. Ed. 2d 932 (1978)
- Brown v. Stewart, 129 Cal. App. 3d 331, 341-42, 181 Cal. Rptr. 112 (1982)
- Jones v. Kramer, 267 Conn. 336, 838 A.2d 170, 177-78 (2004)
- Allstate Insurance Co. v. Rudnick, 761 So. 2d 289, 293 (Fla. 2000)
- Oden v. Chemung County Industrial Development Agency, 87 N.Y.2d 81, 637 N.Y.S.2d 670, 661 N.E.2d 142, 144 (1995)
- Dias v. Cinquegrana, 727 A.2d 198 (R.I. 1999)
- Ayers-Schaffner v. Solomon, 461 A.2d 396 (R.I. 1983)
- Gem Plumbing & Heating Co. v. Rossi, 867 A.2d 796, 803 (R.I. 2005)
- State v. Carter, 827 A.2d 636, 643 (R.I. 2003)
- In re Grand Jury Investigation, 441 A.2d 525, 529 (R.I. 1982)