



# Armstrong v. Exceptional Child Center, 135 S.Ct. 1378 (2015)

Topics Covered: Medicaid

**Outcome: Very Unfavorable**

## Issue

The issue in this case was whether private parties can sue to prevent arbitrary cuts in Medicaid funding through invocation of the Supremacy Clause of the United States Constitution.

## AMA Interest

The AMA believes that Medicaid funding should be sufficient to enable the program to serve its purpose as a social safety net.

## Case Summary

The Supremacy Clause, found in Article VI of the Constitution states: “This Constitution, and the Laws of the United States which shall be made Pursuance thereof ... shall be the supreme Law of the Land ... any Thing in the Constitution or Laws of any State to the Contrary notwithstanding.”

Medicaid is a cooperative federal-state program that directs federal funding to states to assist them in providing medical assistance to needy individuals. Federal laws impose various participation requirements on those states that choose to participate in the Medicaid program. One of the Medicaid Act requirements, sometimes known as the “Equal Access Requirement”, 42 U.S.C. § 1396(a)(30)(A), specifies that a state plan must

“assure that payments are ... sufficient to enlist enough providers so that care and services are available under the plan at least to the extent that such care and services are available to the general population in the geographic area.”

The plaintiffs, five nursing homes, sued the Idaho Department of Health and Welfare (IDHW) for failure to provide the service levels required under the Equal Access Requirement. The IDHW stipulated that it was, in fact, unable to meet the federally mandated standards, as the Idaho Legislature had failed to allocate the necessary funding. Based on the stipulated facts, the trial court granted summary judgment for the nursing homes and against the IDHW. It found that the inaction of the Idaho Legislature had violated the Supremacy Clause. The IDHW appealed to the Ninth Circuit, which affirmed.

The IDHW appealed to the United States Supreme Court, which granted certiorari on October 2, 2014. On March 31, 2015, in a five to four decision, the Supreme Court reversed the Ninth

Circuit, holding that the Supremacy Clause does not confer a private right of action and Medicaid providers therefore have no right to sue for compliance with the Equal Access Provision.

### **AMA Involvement**

The AMA, along with several specialty medical societies, the American Dental Association, and the California Medical Association, filed an amicus brief to support the plaintiffs.

United States Supreme Court brief