Gallagher v. Mercy Medical Center (Md. Ct. App.)

Topics Covered: Abusive Litigation Against Physicians

Issue
The issue in this case is whether an injured person’s settlement with one tortfeasor will release a claim against non-settling tortfeasors.

AMA Interest
The AMA opposes abusive lawsuits against physicians.

Case Summary
Michele Gallagher was injured in an automobile accident. She then underwent surgery at Mercy Medical Center (the hospital). Unfortunately, she developed a post-operative infection, which required intravenous treatment with a catheter. When the catheter was inserted, the hospital staff negligently punctured an artery, and this led to further injuries.

Gallagher sued the driver of the car that had hit her. In a separate action, she also sued State Farm Insurance Company, her own insurer, under her insurance policy's underinsured motorist provision. As part of her claims against the driver and against State Farm, she sought damages arising from the arterial puncture caused by the hospital's negligent insertion of the catheter. Gallagher settled both cases and received payments in each of them. The cases were then dismissed with prejudice.

In the present case, Gallagher sued the hospital for injuries arising from the negligent insertion of the catheter. The hospital moved for summary judgment, citing Gallagher’s settlement of the other two cases. The trial court found that Gallagher’s claim against the hospital was satisfied by her previous settlements. Based on Maryland’s One Satisfaction Rule, the trial court held that she was only entitled to one satisfaction for her injury. Accordingly, the trial court entered summary judgment for the hospital and against Gallagher.

Gallagher then appealed to the Maryland Court of Special Appeals. This court also found that the One Satisfaction Rule applied, and it affirmed the summary judgment for the hospital.

Gallagher has now appealed to the Court of Appeals, which is the highest court in Maryland.

Litigation Center Involvement
The Litigation Center filed an amicus brief on behalf of the hospital, urging a broad interpretation of the One Satisfaction Rule.

Court of Appeals of Maryland brief