STATE OF FLORIDA DIVISION OF ADMINISTRATIVE HEARINGS

DEREK MATSON,

Petitioner,

vs.

Case No. 19-1696MTR

AGENCY FOR HEALTH CARE ADMINISTRATION,

Respondent.

FINAL ORDER

Pursuant to notice, a formal administrative hearing was conducted before Garnett W. Chisenhall, Administrative Law Judge ("ALJ") of the Division of Administrative Hearings ("DOAH") via video teleconference at sites in Jacksonville and Tallahassee, Florida, on June 21, 2019.

APPEARANCES

For Petitioner: Floyd B. Faglie, Esquire

Staunton and Faglie, P.L. 189 East Walnut Street Monticello, Florida 32344

For Respondent: Alexander R. Boler, Esquire

Suite 300

2073 Summit Lake Drive

Tallahassee, Florida 32317

STATEMENT OF THE ISSUE

The issue to be determined is the amount Respondent, Agency for Health Care Administration ("AHCA"), is to be reimbursed for

medical expenses paid on behalf of Derek Matson ("Petitioner" or "Mr. Matson") pursuant to section 409.910, Florida Statutes (2018), 1/2 from settlement proceeds received from a third party.

PRELIMINARY STATEMENT

If a Medicaid recipient receives a personal injury settlement from a third party, then section 409.910 mandates that those settlement proceeds shall be used to reimburse the Medicaid program for medical expenses paid on the Medicaid recipient's behalf. This mandate is facilitated by a statutory lien in AHCA's favor on the settlement proceeds, and federal law mandates that Medicaid's lien only applies to past medical expenses that the Medicaid recipient actually recovered through the settlement. When a Medicaid recipient's settlement proceeds are less than the recipient's total damages (which consists of multiple components, such as past medical expenses, economic damages, and noneconomic damages), a question can arise as to how much of the past medical expenses were actually recovered by the Medicaid recipient and thus subject to the Medicaid lien. Section 409.910(11)(f), sets forth a formula to determine the amount Medicaid shall recover from the settlement proceeds, and section 409.910(17)(b) provides that a Medicaid recipient can request a formal administrative hearing to demonstrate that the past medical expenses actually recovered through the settlement were less than the amount calculated via section 409.910(11)(f).

On March 29, 2012, Mr. Matson filed a "Petition to Determine Amount Payable to Agency for Health Care Administration in Satisfaction of Medicaid Lien" ("the Petition") to challenge AHCA's imposition of a lien of \$85,896.60 on \$305,000.00 of settlement proceeds. Because Mr. Matson valued his total damages as being at least \$20 million, he asserted in the Petition that he only recovered 1.52 percent "of each and every element of his damages" including the past medical expenses that Medicaid paid on his behalf. As a result, Mr. Matson stated that AHCA was only entitled to \$1,638.15, from the settlement proceeds.

The parties filed a Joint Pre-hearing Stipulation in which they identified stipulated facts for which no further proof would be necessary. Those stipulated facts have been accepted and considered in the preparation of this Final Order.

The final hearing was held as scheduled on June 21, 2019.

At the outset, Mr. Matson's counsel announced that the parties had reached an agreement and that there would be no objection to accepting Petitioner's Exhibits 1 through 8 into evidence.

Mr. Matson's counsel also announced corrections to the Joint Pre-hearing Stipulation. Specifically, Mr. Matson's counsel stated that Mr. Matson's total claim for past medical expenses was actually \$118,063.91. As a result, Mr. Matson's position was that AHCA's recovery from the settlement proceeds should be

limited to \$1,794.57 rather than the \$1,638.15 described in the Petition.

During the final hearing, Mr. Matson presented the testimony of Jack Hill, Esquire, and the undersigned accepted Petitioner's Exhibits 1 through 8 into evidence without objection.

AHCA offered no witnesses and did not move any exhibits into evidence.

The one-volume Transcript from the final hearing was filed on July 30, 2019.

Respondent filed a timely proposed final order on August 14, 2019. Mr. Matson's attorney filed a motion on August 19, 2019, requesting leave to file an untimely proposed final order. The undersigned issued an Order on August 19, 2019, granting that motion, and Petitioner filed a proposed final order that same day. Both proposed final orders were considered during the preparation of this Final Order.

FINDINGS OF FACT

The following findings are based on testimony, exhibits accepted into evidence, admitted facts set forth in the Prehearing Stipulation, and matters subject to official recognition.

Facts Pertaining to the Underlying Personal Injury Litigation and the Medicaid Lien

1. Mr. Matson was 25 years old in November of 2017, and employed as an executive chef responsible for managing a

restaurant's cooking operations. His annual salary was approximately \$61,000.00.

- 2. On November 5, 2017, Mr. Matson was drinking and having brunch with his girlfriend. He met a friend, and they decided to take the friend's boat out that afternoon. Mr. Matson was already very intoxicated by the time he arrived at the dock and continued to drink after the boat left the dock. While the boat was anchored in very shallow water, Mr. Matson dove from the boat, struck his head on the seafloor, and suffered a catastrophic spinal cord injury.
- 3. Mr. Matson is now unable to walk, ambulate, eat, toilet, or care for himself in any manner. He has no use of his legs and extremely limited use of his upper extremities. Mr. Matson spends his waking hours in a wheelchair, requires continuous care, and must be repositioned every two hours in order to prevent pressure sores.
 - 4. Mr. Matson frequently suffers from depression.
- 5. Medicaid, through AHCA, paid \$85,896.60 for Mr. Matson's care. Via a Medicaid managed care plan known as Optum, Medicaid paid an additional \$32,167.31 in benefits. The sum of these benefits, \$118,063.91, constituted Mr. Matson's entire claim for past medical expenses.
- 6. Mr. Matson pursued a personal injury claim against the boat's owner and operator. The boat owner's insurance policy was

limited to \$305,000.00, and the boat owner had no other recoverable assets. Ultimately, Mr. Matson's personal injury claim settled for an unallocated lump sum^{2/} of \$305,000.00.

- 7. During the pendency of Mr. Matson's personal injury claim, AHCA was notified of the action and asserted an \$85,896.00 lien against Mr. Matson's recovery from the personal injury claim.
- 8. AHCA did not move to intervene or join in Mr. Matson's personal injury case.
- 9. AHCA received notice of Mr. Matson's settlement and has not moved to set-aside, void, or otherwise dispute the settlement.
- 10. As noted above, Medicaid spent \$85,896.60 on Mr. Matson's behalf. Application of the formula in section 409.910(11)(f) requires that all of AHCA's \$85,896.60 lien be satisfied.^{3/}
- 11. Mr. Matson has deposited \$85,896.60 in an interest bearing account pending an administrative determination of AHCA's rights.

Valuation of the Personal Injury Claim

12. Jack Hill represented Mr. Matson during the personal injury action. Mr. Hill has practiced law since 2002 and been employed with the law firm of Searcy, Denney, Scarola, Barnhart, and Shipley in West Palm Beach, Florida, since August of 2004.

- 13. Mr. Hill is board certified in civil trial law by the Florida Bar and has handled personal injury cases for approximately 15 years. Mr. Hill is a member of several trial attorney associations such as the American Justice Association, the Florida Justice Association, the Palm Beach Justice Association, and AIG, a products liability plaintiffs' organization.
- 14. Mr. Hill routinely evaluates the monetary value of damages suffered by his clients. That process involves discussing individual cases with the 28 other members of his law firm and then forming a consensus regarding a case's settlement value and the damages a jury would likely award in the event of a trial.
- 15. Without objection from AHCA, Mr. Hill was accepted as an expert regarding the evaluation of damages.
- 16. If Mr. Matson's personal injury action had gone to trial, Mr. Hill is confident that a jury would have returned a verdict of at least \$20 million.
- 17. As for the discreet aspects of Mr. Matson's total damages, Mr. Hill testified that Mr. Matson's economic damages exceed \$20 million and that his noneconomic damages, such as pain and suffering, are \$20 million.
- 18. Mr. Hill testified that "\$305,000 was a grossly inadequate recovery for Derek, considering his injuries." If one

assumes that a jury would have returned a \$20 million verdict, then the \$305,000.00 settlement represents a 1.52 percent recovery of Mr. Matson's total damages. If one applies that same percentage to the individual components of the personal injury claim, then it would be determined that Mr. Matson only recovered 1.52 percent or \$1,794.57 of the \$118,063.91 in past medical expenses. This computational method shall be referred to herein as "the pro rata formula."

- 19. Mr. Hill testified that the pro rata formula was a reasonable methodology to ascertain how much of Mr. Matson's past medical expenses were recovered via the \$305,000.00 settlement:
 - Q: Mr. Hill, based on a \$20 million value of all damages, the \$305,000 settlement represents a recovery of 1.25% of the value of the damages. Would you agree with that?
 - A: 1.52%.
 - Q: All right. And accordingly, in this settlement, Mr. Matson recovered 1.52% of his claim for past medical expenses?
 - A: Yes. He would have recovered 1.52% of all aspects of his damages, including those for past medicals that were paid on his behalf. So, yes.
 - Q: And this is similar to how a jury verdict would work, is that correct? So the jury would assign a value to each category of damages. But if it was determined that the defendant, the jury determined that the defendant was only 1.52% liable for those damages the jury, the judge, in entering the judgment, would reduce each element of

damages to that 1.52% amount. Is that correct?

- A: That's the way it works, yes.
- Q: All right. So 1.52% of the \$118,063.91 claim for past medical expenses, that comes out to \$1,794.57. Is that your math?
- A: It is that there was \$32,167.31 paid by private health insurance, and the Medicaid paid \$85,896.60. And so you take 1.52% of \$118,063.91, you get a total past recovery for medical expenses of \$1,794.57.
- Q: All right. And that's the amount you believe should be allocated to past medical expenses?

A: It is. Yes, Sir.

Findings Regarding the Testimony Presented at the Final Hearing

- 20. The undersigned finds that the testimony from Mr. Hill was compelling and persuasive as to: (a) the total damages incurred by Mr. Matson; (b) that Mr. Matson only recovered 1.52 percent of his total damages; and (c) that Mr. Matson only recovered 1.52 percent of his past medical expenses.
- 21. Using the pro rata formula, the ratio that results from dividing the settlement amount by total damages, is a reasonable method to determine how much of a party's past medical expenses were recovered through the settlement.
- 22. AHCA offered no evidence to counter Mr. Hill's opinions regarding Mr. Matson's total damages or the past medical expenses he recovered.

23. Accordingly, the preponderance of the evidence demonstrates that the total value of Mr. Matson's personal injury claim is no less than \$20 million and that the \$305,000.00 settlement resulted in him recovering no more than 1.52 percent of his past medical expenses. In addition, the preponderance of the evidence demonstrates that \$1,794.57 amounts to a fair and reasonable determination of the past medical expenses actually recovered by Mr. Matson and payable to AHCA.

CONCLUSIONS OF LAW

- 24. DOAH has jurisdiction over the subject matter and the parties in this case pursuant to sections 120.569, 120.57(1) and 409.910(17), Florida Statutes.
- 25. AHCA is the agency authorized to administer Florida's Medicaid program. § 409.902, Fla. Stat.
- 26. The Medicaid program "provide[s] federal financial assistance to States that choose to reimburse certain costs of medical treatment for needy persons." Harris v. McRae, 448 U.S. 297, 301 (1980).
- 27. "The Medicaid program is a cooperative one. The Federal Government pays between 50 percent and 83 percent of the costs a state incurs for patient care. In return, the State pays its portion of the costs and complies with certain statutory requirements for making eligibility determinations, collecting and maintaining information, and administering the program."

- Estate of Hernandez v. Ag. for Health Care Admin., 190 So. 3d 139, 141-42 (Fla. 3rd DCA 2016)(internal citations omitted).
- 28. Though participation is optional, once a State elects to participate in the Medicaid program, it must comply with federal requirements. Harris, 448 U.S. at 301.
- 29. One condition for receipt of federal Medicaid funds requires states to seek reimbursement for medical expenses incurred on behalf of Medicaid recipients, who later recover from legally liable third parties. See Ark. Dep't of Health & Human Servs. v. Ahlborn, 547 U.S. 268, 276 (2006); see also Estate of Hernandez, 190 So. 3d at 142 (noting that one such requirement is that "each participating state implement a third party liability provision which requires the state to seek reimbursement for Medicaid expenditures from third parties who are liable for medical treatment provided to a Medicaid recipient").
- 30. Consistent with this federal requirement, the Florida Legislature enacted section 409.910, designated as the "Medicaid Third-Party Liability Act," which authorizes and requires the state to be reimbursed for Medicaid funds paid for a recipient's medical care when that recipient later receives a personal injury judgment, award, or settlement from a third party. Smith v. Ag. for Health Care Admin., 24 So. 3d 590 (Fla. 5th DCA 2009); see also Davis v. Roberts, 130 So. 3d 264, 266 (Fla. 5th DCA 2013)(stating that in order "[t]o comply with federal directives

the Florida legislature enacted section 409.910, Florida

Statutes, which authorizes the State to recover from a personal injury settlement money that the State paid for the plaintiff's medical care prior to recovery.").

31. Section 409.910(1) sets forth the Florida Legislature's clear intent that Medicaid be repaid in full for medical care furnished to Medicaid recipients by providing that:

It is the intent of the Legislature that Medicaid be the payor of last resort for medically necessary goods and services furnished to Medicaid recipients. All other sources of payment for medical care are primary to medical assistance provided by Medicaid. If benefits of a liable third party are discovered or become available after medical assistance has been provided by Medicaid, it is the intent of the Legislature that Medicaid be repaid in full and prior to any other person, program, or entity. Medicaid is to be repaid in full from, and to the extent of, any third-party benefits, regardless of whether a recipient is made whole or other creditors paid. Principles of common law and equity as to assignment, lien, and subrogation are abrogated to the extent necessary to ensure full recovery by Medicaid from third-party resources. It is intended that if the resources of a liable third party become available at any time, the public treasury should not bear the burden of medical assistance to the extent of such resources.

32. In addition, the Florida Legislature has authorized AHCA to recover the monies paid from any third party, the recipient, the provider of the recipient's medical services, and

any person who received the third-party benefits. § 409.910(7), Fla. Stat.

33. AHCA's effort to recover the full amount paid for medical assistance is facilitated by section 409.910(6)(a), which provides that AHCA:

[I]s automatically subrogated to any rights that an applicant, recipient, or legal representative has to any third-party benefit for the full amount of medical assistance provided by Medicaid. Recovery pursuant to the subrogation rights created hereby shall not be reduced, prorated, or applied to only a portion of a judgment, award, or settlement, but is to provide full recovery by the agency from any and all third-party benefits. Equities of a recipient, his or her legal representative, a recipient's creditors, or health care providers shall not defeat, reduce, or prorate recovery by the agency as to its subrogation rights granted under this paragraph.

<u>See also</u> § 409.910(6)(b)2., Fla. Stat. (providing that AHCA "is a bona fide assignee for value in the assigned right, title, or interest, and takes vested legal and equitable title free and clear of latent equities in a third person. Equities of a recipient, the recipient's legal representative, his or her creditors, or health care providers shall not defeat or reduce recovery by the agency as to the assignment granted under this paragraph").

34. AHCA's efforts are also facilitated by the fact that AHCA has "an automatic lien for the full amount of medical

assistance provided by Medicaid to or on behalf of the recipient for medical care furnished as a result of any covered injury or illness by which a third party is or may be liable, upon the collateral, as defined in s. 409.901." § 409.910(6)(c), Fla. Stat.

- 35. The amount to be recovered by AHCA from a judgment, award, or settlement from a third party is determined by the formula in section 409.910(11)(f). Ag. for Health Care Admin. v. Riley, 119 So. 3d 514, 515 n.3 (Fla. 2d DCA 2013).
 - 36. Section 409.910(11)(f) provides:

Notwithstanding any provision in this section to the contrary, in the event of an action in tort against a third party in which the recipient or his or her legal representative is a party which results in a judgment, award, or settlement from a third party, the amount recovered shall be distributed as follows:

- 1. After attorney's fees and taxable costs as defined by the Florida Rules of Civil Procedure, one-half of the remaining recovery shall be paid to the agency up to the total amount of medical assistance provided by Medicaid.
- 2. The remaining amount of the recovery shall be paid to the recipient.
- 3. For purposes of calculating the agency's recovery of medical assistance benefits paid, the fee for services of an attorney retained by the recipient or his or her legal representative shall be calculated at 25 percent of the judgment, award, or settlement.

- 37. In the instant case, applying the formula in section 409.910(11)(f) to the \$305,000.00 settlement in the instant case results in AHCA being owed \$85,896.60.
- 38. As noted above, section 409.910(6)(a) and (b)2., prohibits the Medicaid lien from being reduced because of equitable considerations. However, when AHCA has not participated in or approved a settlement, the administrative procedure created by section 409.910(17)(b) serves as a means for determining whether a lesser portion of a total recovery should be allocated as reimbursement for medical expenses in lieu of the amount calculated by application of the formula in section 409.910(11)(f).
- 39. Section 409.910(17)(b) provides, in pertinent part, that:

A recipient may contest the amount designated as recovered medical expense damages payable to the agency pursuant to the formula specified in paragraph (11)(f) by filing a petition under chapter 120 within 21 days after the date of payment of funds to the agency or after the date of placing the full amount of the third-party benefits in the trust account for the benefit of the agency pursuant to paragraph (a). . . . In order to successfully challenge the amount payable to the agency, the recipient must prove, by clear and convincing evidence, [4/] that a lesser portion of the total recovery should be allocated as reimbursement for past and future medical expenses [5/] than the amount calculated by the agency pursuant to the formula set forth in paragraph (11)(f) or that Medicaid provided a lesser amount of

- medical assistance than that asserted by the agency.
- 40. Therefore, the formula in section 409.910(11)(f), provides an initial determination of AHCA's recovery for medical expenses paid on a Medicaid recipient's behalf, and section 409.910(17)(b) sets forth an administrative procedure for adversarial testing of that recovery. See Harrell v. State, 143 So. 3d 478, 480 (Fla. 1st DCA 2014)(stating that petitioner "should be afforded an opportunity to seek the reduction of a Medicaid lien amount established by the statutory default allocation by demonstrating, with evidence, that the lien amount exceeds the amount recovered for medical expenses").
- 41. Through the testimony provided by Mr. Hill,
 Mr. Matson proved by a preponderance of the evidence that
 \$1,794.57 of the recovery represents that share of the settlement
 proceeds fairly and proportionally attributable to a recovery of
 past medical expenses.
- 42. While AHCA offered no evidence or testimony to counter Mr. Hill's testimony, counsel for AHCA objected to Mr. Hill testifying that every portion of Mr. Matson's damages claim, i.e. past medical expenses, lost wages, noneconomic damages, etc., was recovered at a rate of 1.52 percent. According to AHCA's counsel, such testimony was unrelated to Mr. Hill's tender as an expert in the evaluation of damages.⁶/

- 43. AHCA elaborated on this argument in its proposed final order:
 - 17. No foundation was laid as to Mr. Hill's expertise or background in determining the allocation of a settlement recovered by an injured party, or in determining whether some specific element of damages were "fully recovered." Mr. Hill's testimony regarding these issues was shallow, baseless, conclusory, and out of his expertise. His statements regarding the allocation are unpersuasive and cannot be used for a finding of fact.

* * *

- 19. Mr. Hill went one step further to say that Mr. Matson [recovered] 1.52% of his past medical damages . . . but there was no explanation as to why this portion of his damages was recovered at the same rate. There was no explanation of why the ratio of the recovery amount to the full case "value" does or should match the ratio of recovered past medical expenses to the actual past medical expenses. Indeed, there was no evidence at all that as a factual or legal matter Mr. Matson recovered past medical expenses at the same rate he recovered all his damages.
- 20. Without any sufficient testimony or evidence that the portion of Mr. Matson's \$305,000 recovery that represents past medical expenses is less than the \$85,896.60 payable under the statute, the undersigned cannot find that less than \$85,896.60 represents recovered past medical expenses.
- 21. To that point, it is not proven that each element of Mr. Matson's damages was or would have been recovered at the same rate as every other element of damages.

44. In addition, AHCA cited Mojica v. Ag. for Health Care

Admin., Case No. 17-1966MTR (Fla. DOAH May 3, 2018), in which the

ALJ concluded that:

The testimony is insufficient to support a finding that the amount allocated to past medical expenses is the amount Petitioner recovered for past medical expenses. Without a breakout of the allocation of the settlement to other elements of damages, the undersigned cannot determine that the amount allocated to past medical expenses is reasonable.

45. However, the Mojica ALJ's rejection of using the percentage of a petitioner's total recovery to calculate the recovery of past medical expenses appears to have been driven by a determination that the petitioner attributed an unreasonably low valuation to her economic damages. Id. (finding that "[g]iven the expert testimony of the extent of Petitioner's injuries, her need for round-the-clock assistance with all activities of daily living, the costs of future doctor visits, attendant care, and other considerations factored into Petitioner's Life Care Plan, it is not reasonable that Petitioner's economic damages (other than past medical expenses) would have been valued at a mere \$5 million. In fact, this flies in the face of the economist's determination, based on the Life Care Plan, that the present value of Petitioner's economic damages was in excess of \$25 million. This exposes the flaw in Petitioner's method of allocating damages.").

- 46. The instant case is distinguishable from Mojica because no such flaw is readily apparent in Mr. Hill's assessment of damages. Nor was such a flaw identified in AHCA's proposed final order.
- 47. Furthermore, if a board certified civil trial attorney who has handled personal injury cases for approximately 15 years is not qualified to render an opinion regarding the allocation of a damages settlement, then the undersigned is at a loss as to who would be so qualified. See generally Brooks v. State, 762 So. 2d 879, 892 (Fla. 2000)(holding that "the trial court did not clearly err in allowing Michael Johnson, an experienced crack cocaine dealer, to express opinion testimony regarding the identity and approximate weight of the rocky substance contained in the sandwich bag obtained from Darryl Jenkins."); Orthopaedic Med. Grp. of Tampa Bay/Stuart A. Goldsmith, P.A. v. Ag. for Health Care Admin., 957 So. 2d 18, 19 (Fla. 1st DCA 2007)(stating that "[t]he determination of a witness's qualifications to express an expert opinion is within the discretion of the ALJ and will not be reversed absent a showing of clear error.").
- 48. Moreover, AHCA offered nothing to rebut Mr. Hill's opinion. Thus, there was no contrary evidence to consider in evaluating whether Mr. Matson proved by a preponderance of the evidence that his recovery of past medical expenses was less than AHCA's lien. See generally Giraldo v. Ag. for Health Care

Admin., 248 So. 3d 53, 56 (Fla. 2018)(noting that "[a]lthough a factfinder may reject uncontradicted testimony, there must be a reasonable basis in the evidence for the rejection.").

49. The result herein is consistent with the First District Court of Appeal's recent decision in Eady v. State of Florida,

Agency for Health Care Administration, No. 1D18-1852, slip op.

at 15 (Fla. 1st DCA Sept. 12, 2019)(rejecting the ALJ's

"wholesale rejection" of the pro rata formula by holding that

"[a]ppellant presented expert testimony directed towards the
appropriate share of the settlement funds to be allocated to past
medical expenses. AHCA did not present any evidence to refute
the experts' opinions. Under our facts, there was no competent,
substantial evidence to support the ALJ's findings or
conclusions. Consequently, we hold the supreme court's decision
in Giraldo II is decisive.").

ORDER

Based on the foregoing Findings of Fact and Conclusions of Law, it is ORDERED that the Agency for Health Care Administration is entitled to \$1,794.57 in satisfaction of its Medicaid lien.

DONE AND ORDERED this 18th day of September, 2019, in Tallahassee, Leon County, Florida.

Darnett Chicenhall

G. W. CHISENHALL
Administrative Law Judge
Division of Administrative Hearings
The DeSoto Building
1230 Apalachee Parkway
Tallahassee, Florida 32399-3060
(850) 488-9675
Fax Filing (850) 921-6847
www.doah.state.fl.us

Filed with the Clerk of the Division of Administrative Hearings this 18th day of September, 2019.

ENDNOTES

- Unless stated otherwise, all statutory references will be to the 2018 version of the Florida Statutes. The parties stipulated that the 2018 version was in effect when Mr. Matson settled his personal injury claim. See Cabrera v. Ag. for Health Care Admin., Case No. 17-4557MTR (Fla. DOAH Jan. 23, 2018)(citing Suarez v. Port Charlotte HMA, 171 So. 3d 740 (Fla. 2d DCA 2015)).
- The settlement terms did not specify that certain percentages of the total settlement amount were allocated to past medical expenses, economic damages, or noneconomic damages.
- Optum spent an additional \$32,167.31 on Mr. Matson's behalf. Although that amount is part of Mr. Matson's past medical expenses, and despite Optum being a Medicaid managed care plan, that amount is not part of the direct Medicaid lien.
- The Northern District of Florida ruled that the Medicaid Act prohibits AHCA from requiring a Medicaid recipient to affirmatively disprove section 409.910(11)(f)'s formula-based allocation with clear and convincing evidence. Gallardo v. Dudek, 263 F. Supp. 3d 1247 (N.D. Fla. April 18, 2017). However, section 120.57(1)(j) contains a default provision regarding the burden of proof and provides that "findings of fact shall be

based on a preponderance of the evidence, except in penal or licensure disciplinary proceedings or except as otherwise provided by statute." A preponderance of the evidence is defined as "the greater weight of the evidence," or evidence that "more likely than not tends to prove a certain proposition." <u>S. Fla. Water Mgmt. v. RLI Live Oak, LLC</u>, 139 So. 3d 869, 871 (Fla. 2014).

- The Florida Supreme Court recently ruled that "federal law allows AHCA to lien only the past medical expenses portion of a Medicaid beneficiary's third-party tort recovery to satisfy its Medicaid lien." Giraldo v. Ag. for Health Care Admin., 248 So. 3d 53, 56 (Fla. 2018).
- The undersigned overruled this objection during the final hearing by concluding that it pertained more to the weight that should be given to that portion of Mr. Hill's testimony rather than to its admissibility.

COPIES FURNISHED:

Alexander R. Boler, Esquire Suite 300 2073 Summit Lake Drive Tallahassee, Florida 32317 (eServed)

Kim Annette Kellum, Esquire Agency for Health Care Administration Mail Stop 3 2727 Mahan Drive Tallahassee, Florida 32308 (eServed)

Floyd B. Faglie, Esquire Staunton and Faglie, P.L. 189 East Walnut Street Monticello, Florida 32344 (eServed)

Mary C. Mayhew, Secretary
Agency for Health Care Administration
Mail Stop 1
2727 Mahan Drive
Tallahassee, Florida 32308
(eServed)

Stefan Grow, General Counsel Agency for Health Care Administration Mail Stop 3 2727 Mahan Drive Tallahassee, Florida 32308 (eServed)

Richard J. Shoop, Agency Clerk Agency for Health Care Administration Mail Stop 3 2727 Mahan Drive Tallahassee, Florida 32308 (eServed)

Thomas M. Hoeler, Esquire Agency for Health Care Administration Mail Stop 3 2727 Mahan Drive Tallahassee, Florida 32308 (eServed)

NOTICE OF RIGHT TO JUDICIAL REVIEW

A party who is adversely affected by this Final Order is entitled to judicial review pursuant to section 120.68, Florida Statutes. Review proceedings are governed by the Florida Rules of Appellate Procedure. Such proceedings are commenced by filing the original notice of administrative appeal with the agency clerk of the Division of Administrative Hearings within 30 days of rendition of the order to be reviewed, and a copy of the notice, accompanied by any filing fees prescribed by law, with the clerk of the District Court of Appeal in the appellate district where the agency maintains its headquarters or where a party resides or as otherwise provided by law.