

**For Immediate Release**

Wednesday, February 22, 2012

**Washington, DC** - Today the United States Supreme Court remanded the California Medicaid challenge, *Douglas v. Independent Living Center of Southern California et al.*, to the Ninth Circuit, delaying a decision on whether Medicaid providers and beneficiaries can bring lawsuits against state Medicaid officials under the Supremacy Clause. The Douglas case arose when California severely reduced Medicaid-provider rates. Medicaid providers and beneficiaries sued, arguing that the rate reduction violated federal law.

“The Court’s decision puts off to another day the serious and legitimate questions posed in this case,” said NHeLP executive director Emily Spitzer. “We continue to believe that the Medicaid law can and should be enforced by citizens seeking relief from the courts, not only by executive branch officials.”

Writing for the majority, Justice Stephen Breyer vacated the Ninth Circuit’s decision, which had prevented California from implementing the Medicaid-provider rate reductions. Since the time the Supreme Court agreed to hear the case, the Centers for Medicare & Medicaid Services (CMS) determined that California’s rate reductions complied with federal law. While the CMS decision does not make the case moot, the Ninth Circuit must now rehear the case to determine if Medicaid providers and beneficiaries can maintain their cause of action in light of CMS’ approval.

NHeLP and the AARP Foundation Litigation previously filed an amicus brief with the Supreme Court on behalf of organizations that represent low-income Americans, urging the Court to uphold the right of private citizens to enforce federal Medicaid laws. Both the Administration and the state of California argued that private citizens did not have the right to enforce the Medicaid law in federal court. The amicus brief can be found [here](#).

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