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Florida (Assoc. Inds.)
Media

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PHILIP MORRIS STATEMENT
ON FLORIDA MEDICAID RULING

Because there seems to be some confusion about the Florida Court's decision, Philip Morris Incorporated is issuing the following statement:

Philip Morris Incorporated applauds the ruling last Friday of Leon County Circuit Court Judge Steinmeyer in *Associated Industries of Florida v. AHCA*, No. 94-3128 (Leon Cty. Cir. Ct.). Judge Steinmeyer held that the 1994 amendments to the Florida Third-Party Liability Act could be applied prospectively only, to conduct of potential defendants that occurred after the amendments' effective date of July 1, 1994. The effect of this ruling, if upheld on appeal, would be to bar the State from seeking to hold Philip Morris liable under the amendments for any alleged tortious activities that occurred before July 1, 1994. In the State's lawsuit against Philip Morris and other tobacco entities pending in West Palm Beach, the State has been relying on the 1994 amendments as one of the principal bases upon which to obtain recovery for Philip Morris's prior conduct, and the State's principal allegations relate to pre-July 1994 conduct.

Judge Steinmeyer also held that the Agency for Health Care Administration ("AHCA") was unconstitutionally structured. The AHCA is the sole State agency authorized by the 1994 amendments to bring the expanded "independent cause of action" created by those amendments. Philip Morris believes that, if upheld on appeal, this ruling means that no agency or official of the State of Florida has standing to bring an action under the 1994 amendments, including the action that is pending in West Palm Beach.

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