

NHD Wins Major Contract Case

Mark Lavoie recently secured a defense verdict in a seven-figure contract case involving a Maine hospital system.

The Plaintiff, a vendor providing Medicare and Medicaid billing services, claimed that a third-party association had negotiated a contract for a “success fee” (essentially a contingent fee arrangement), so it would receive a percentage of any additional federal reimbursements it secured for the Hospital. In the past, the Plaintiff had been paid a flat fee for its services, and the difference between that fee and the “success fee” was a staggering amount.

Mark and the hospital defended the case by presenting evidence that the association did not have authority to negotiate on its behalf, a hotly contested issue, and that the Plaintiff did not satisfy conditions precedent for collecting its fee. Following a lengthy jury trial and after brief deliberations, the jury returned a unanimous verdict that there was no enforceable contract for a “success fee.”