POCATELLO, IDAHO, OCTOBER 9, 2025, AT 11:10 A.M.

IN THE SUPREME COURT OF THE STATE OF IDAHO

RIDGELINE MEDICAL, LLC, an Idaho)
limited liability company,)
Plaintiff-Appellant,) Docket No. 52069-2024)
v.)
DAVID LYON,)
Defendant-Respondent,)
and)
STATE OF IDAHO,)
Intervenor-Respondent.)

Appeal from the District Court of the Seventh Judicial District of the State of Idaho, Bonneville County. Bruce L. Pickett, District Judge.

Smith, Driscoll & Associates, PLLC, Idaho Falls, for Appellant Ridgeline Medical, LLC.

Runft Dindinger Kohler, PLLC, Boise, for Respondent David Lyon.

Raúl R. Labrador, Attorney General, Boise, for Intervenor State of Idaho.

Melaleuca, Inc., Idaho Falls, for Amicus Curiae Melaleuca, Inc.

This case presents a constitutional challenge to the Idaho Patient Act ("IPA") under the U.S. Constitution. Ridgeline Medical, LLC, appeals from the district court's appellate opinion, affirming the magistrate court's order granting summary judgment to David Lyon. Ridgeline brought a collection action against Lyon to recover debt for medical services received by Lyon. Lyon counterclaimed that Ridgeline's lawsuit violated section 48-304(1)(c) of the IPA because Lyon did not receive a final statement, which caused Lyon damages, and so he was owed statutory penalties under section 48-311. After discovery, but before trial, Ridgeline moved for summary judgment arguing that Lyon had breached an implied in fact contract. Ridgeline also argued the IPA is unconstitutional as applied to it and is facially overbroad. Lyon also moved for summary judgment arguing that Ridgeline violated the IPA and, as a result, owes statutory damages to Lyon.

The magistrate court initially found that section 48-304(2) was a facially unconstitutional burden on the First Amendment right to petition. It also determined that section 48-303(3)(b) violated healthcare facilities' and providers' First Amendment right to free speech and the penalties in section 48-311(2) violated the Eighth Amendment. However, the magistrate court determined these provisions of the IPA were severable, so the rest of the IPA remained intact. Since it determined the rest of the IPA was valid and Ridgeline's violation was of section 304(1)(c), the magistrate court granted Lyon's motion for summary judgment.

After the magistrate court issued its order, the State of Idaho filed a motion to intervene, which was subsequently granted. The magistrate court then ordered supplemental briefing on the constitutional issues presented at summary judgment. After supplemental briefing and a hearing on the matter, the magistrate court vacated its earlier order and issued an amended order finding all contested provisions of the IPA to be constitutional. The district court affirmed the magistrate court's order finding that no provision of the IPA was unconstitutional.

On appeal, Ridgeline argues the district court erred in affirming the magistrate court because the IPA's overbreadth burdens the First Amendment right to petition by potentially permanently barring healthcare facilities and providers from ever bringing a lawsuit to collect a patient's debt. It also argues the IPA's restriction on selling, assigning, or transferring the debt to a collection agency burdens a First Amendment right to pre-petitioning activity. Additionally, it alleges the IPA burdens the First Amendment right to free speech by disallowing speech that reports adverse information to a credit reporting agency. Ridgeline further argues the IPA violates the Fourteenth Amendment rights to Equal Protection and Due Process because (1) it infringes on fundamental rights, (2) healthcare facilities and providers have no way of knowing whether their conduct violates the IPA until after the violation, and (3) the monetary penalties in the IPA are disproportionate to the offense.