



Alerts

ERISA Plaintiff Has Statutory Standing to Bring Action to Recover Spousal Healthcare Benefits

October 5, 2020

The LHD/ERISA Advisor

Plaintiff Doug Heckman participated in Nike's employee welfare benefit plan (the "Plan"), which was funded by UnitedHealthcare Insurance Co. ("UHC"), and included healthcare benefits. Mr. Heckman's wife was covered under the Plan as a beneficiary. Mrs. Heckman, suffering from lung cancer, submitted a claim to UHC for proton beam radiation therapy. UHC denied the claim based on policy exclusions for experimental treatments. The Heckman's paid for the radiation therapy out-of-pocket and, after exhausting their administrative remedies, jointly sued UHC to recover \$76,000 in medical expenses.

UHC moved to dismiss Mr. Heckman from the suit, arguing that he lacked "statutory standing" under 29 U.S.C. § 1132(a)(1)(B), which provides, in relevant part, that a "participant" may bring an action "to recover benefits due to him under the terms of the plan [or] to enforce his rights under the terms of the plan." UHC argued that payment to Mr. Heckman for medical services received by Mrs. Heckman did not constitute an action for benefits *due to him* nor an action to enforce his rights under the Plan. As such, UHC argued Mr. Heckman could not bring suit under section 1132(a)(1)(B).

The court disagreed. First, the court explained that while ERISA does not define "benefit," the dictionary—and the Eleventh Circuit—defined it simply as an "advantage" or "privilege." The court then reasoned that both medical coverage for Mrs. Heckman and reimbursement for improperly denied medical treatment are benefits due to Mr. Heckman under the plan.

Further, the court concluded that Mr. Heckman had standing under ERISA to "enforce his rights under the terms of the plan." Citing the Utah district court's analysis in *Tony M. v. United Healthcare Ins. Co.*, 2019 U.S. Dist. LEXIS 176571 (D. Utah Oct. 9, 2019), the court determined that these rights include the right to be reimbursed for any costs improperly denied. UHC had argued that enforcing one's rights under the Plan simply meant "to recover benefits." The court, however, rejected this approach, and concluded that the company's interpretation failed to give effect to the plain language of the statute.

Accordingly, the court denied UHC's motion to dismiss Mr. Heckman from the case. The *Heckman* case provides a case study about how to address standing issues under ERISA for claims brought by spouses.

Service Areas

Life, Health, Disability & ERISA
Litigation