

## Case Law Update

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### Fiduciary issues

- Breach of fiduciary duty
  - ***In re. Fidelity ERISA Float Litigation*, 828 F.3d 55 (1<sup>st</sup> Cir. 2016)**  
The plan's TPA was not a fiduciary with regard to assets that were not plan assets and was, rather, an agent of the plan charged with making money transfers.
  - ***Deschamps v. Bridgestone Americas Inc. Salaried Employees Retirement Plan*, 840 F.3d 267 (6<sup>th</sup> Cir. 2016)**  
An employer acted in a fiduciary capacity when it made misrepresentations about the plan to plan participants.
- Who is and who isn't a fiduciary?
  - ***Lebahn v. Nat'l Farmers Union Unif. Pension Plan*, 828 F.3d 1180 (10<sup>th</sup> Cir. 2016)**  
A plan consultant was not a fiduciary because it was responsible only for calculating and reporting pension benefits.
- Misrepresentations by the employer
  - ***Guenther v. Lockheed Martin Corp.*, 646 Fed. Appx. (9<sup>th</sup> Cir. 2016)**  
The employer acted in a fiduciary capacity when it failed to inform a participant and former employee of a change in the way his pension credits would be treated if he were re-hired by the company, which amounted to a misrepresentation.

### Access to Justice

- Statutes of limitation and contractual limitations periods
  - ***Mid-South Iron Workers Welfare Plan v. Harmon*, 645 Fed. Appx. 661, 61 Employee Benefits Cas. 2463 (10<sup>th</sup> Cir. 2016)**  
The court affirmed the lower court's dismissal of a fiduciary duty suit based on a three-year statute of limitations because the plaintiffs had actual knowledge of the facts constituting the alleged breach more than three years before they filed suit.
  - ***Santana-Diaz v. Metro Life Ins. Co.*, 816 F.3d 172, 61 Employee Benefits Cas. 1565 (BNA)(1st Cir. 2016)**  
A plan administrator must include any limitations period for bringing suit imposed by the plan in a final benefits letter and failure to do so invalidates the contractual limitations period.
- Equitable remedies
  - ***Paul v. Detroit Edison Co. & Michigan Consol. Gas Co. Pension Plan*, 642 Fed.Appx. 588, 61 EB Cases 2214 (6<sup>th</sup> Cir. 2016)**  
Where a plan had misrepresented to an employee that his retirement benefit would

be higher than what he had actually earned, and the employee retired based on that information, the plan was equitably estopped from reducing his pension payments, even though the plan was unambiguous, because the retiree had notified the plan of his concern and was assured in writing that it was correct, the retiree could not have known that his benefits were miscalculated because doing so would have required complex actuarial knowledge, and the employer representative was grossly negligent in failing to investigate the retiree's concerns.

### The Claims and Appeals Process

- Plan compliance with regulations
  - ***Woerner v. FRAM Grp. Operations, LLC.*, 658 Fed. App'x 90 (3d. Cir. 2016)**  
A plaintiff whose husband's ERISA plan denied her claim for life insurance benefits after her husband's death and who immediately filed suit without appealing had not failed to exhaust her administrative remedies because she reasonably believed that she was not bound by the claims procedure since the plan had never informed her of its claims procedure until after her husband's death.
  - ***Halo v. Yale Health Plan, Dir. Of Benefits & Records Yale Univ.*, 819 F.3d 42 (2d. Cir. 2016)**  
A plan's failure to comply with the DOL claims procedure regulation does not give rise to civil penalties, but violation of the regulation may result in *de novo* review even though small, harmless deviations from the procedure in individual cases are tolerable as long as the plan is otherwise in compliance.
- Standards of review
  - ***Meguerditchian v. Aetna Life Ins. Co.*, 648 Fed. Appx. 605 (9<sup>th</sup> Cir. 2016)**  
A short-term disability plan abused its discretion when it denied a participant's claim as untimely because the SPD did not provide adequate information about the time limit for filing a claim.