

California Spine and Neurosurgery Institute v. Blue Cross of California

Year: 2019

Court: United States Court of Appeals for the Ninth Circuit

Case Number: 4:18-cv-04777-PJH

Plaintiff performed surgery on a patient covered under an ERISA healthcare plan administered by defendant. As is custom, plaintiff obtained a signed agreement assigning the patient's rights and benefits under the plan to plaintiff. Despite numerous communications making this fact known, defendant never told plaintiff that the patient's plan precluded assignments and didn't cover an overwhelming majority of the surgery. Plaintiff appealed the underpayment of benefits, and after receiving no response from defendant, filed suit. Only after the administrative record had closed and the time for the patient to assert a claim had likely run did defendant assert the "anti-assignment" provision. The district court granted defendant's motion to dismiss.

In its brief, UP argues that under ERISA, an insurance company may not wait until a medical provider that it knows or should know has been assigned a claim for benefits has filed suit to raise an anti-assignment provision. UP highlights relevant caselaw and explains the impact on the industry at large if this practice were allowed to continue.

Update: UP's brief helped secure a favorable outcome for policyholders in this case. Check out the opinion below.

This brief was drafted and submitted pro bono by Lisa S. Kantor and Elizabeth Hopkins of Kantor & Kantor LLP