Met Life vs. Glenn, Wanda

Year: 2007
Court: U.S. Supreme Court
Case Number: 06-923

United Policyholders' brief addressed the first question certified for review by the United States Supreme Court: "Whether an administrator that both evaluates and pays claims under a plan governed by the Employee Retirement Income Security Act (ERISA), 29 U.S.C. 1001 et seq., is operating under a conflict of interest that must be weighed on judicial review of a benefit determination." The current regime of ERISA benefit adjudication under the arbitrary and capricious standard of review consists of no more than a lenient "administrative" review without any opportunity for trial proceedings or even the taking of discovery absent a preliminary showing that an actual conflict infected the claim determination. See, e.g., Semien v. Life Insurance Co. of North America, 436 F.3d 805 (7th Cir.); cert. denied 127 S. Ct. 53 (2006). That manner of adjudication, coupled with the limited remedies available under ERISA, enhances the danger of conflicted plan administrators' misbehavior. UP argues that the Court should hold that when the insurer of employee benefits both determines the eligibility to receive benefits and is responsible for paying the benefits out of its own funds, a conflict exists that must be factored into the deference, if any, to be accorded the benefit claim determination.

UP's brief was prepared pro bono by Mark DeBofsky of the Chicago firm of Daley, DeBofsky and Bryant. It was submitted jointly on behalf of the National Employment Lawyers Association (NELA). Pacific Palisades policyholder/ERISA attorney Ron Dean represent