

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF ILLINOIS

RICKEY L. WALTER,)	
)	
Plaintiff,)	
)	
vs.)	Case No. 19-cv-301-DWD
)	
METROPOLITAN LIFE INSURANCE)	
COMPANY,)	
)	
Defendants.)	

MEMORANDUM AND ORDER

DUGAN, District Judge:

This matter arises out of the Plaintiff’s attempt to recover life insurance proceeds on the death of his wife from an employee welfare benefit plan governed by ERISA and insured by Defendant. (“MetLife”) Presently before the Court is Metropolitan Life Insurance Company’s Motion for Summary Judgment (Doc. 42) and Metropolitan’s Life Insurance Company’s Statement In lieu of Reply (Doc. 53).

Background

Ricky Walter filed his complaint seeking payment of death benefits under an employee welfare benefit plan. The Plan was established by American Water Works Company, Inc., the former employer of Walter’s now-deceased wife, Deborah Walter. He contends that Deborah had available to her \$43,000 in basic life coverage under the Plan when she died on December 12, 2017. MetLife argues that Deborah’s employment with

American and her coverage under the Plan ended long before her death and, therefore, the Walter in not entitled to any such death benefits.

MetLife, in support of its Motions for Summary Judgment, provided the Court with over 1200 pages of documents including Plan documents, correspondence between Deborah and MetLife representatives, and an administrative record which includes medical records. (Doc. 41) This documentation demonstrates that the Plan provided basic term life coverage to employees of American Water who were actively working or who had ceased to work due to total disability, in which case coverage could be extended so long as the employee provided proof of that disability.

In December 2014, Deborah ceased working for American Water due to a claimed disability. She applied for and was initially approved to continue her life coverage under the Plan based upon that disability. (Doc. 41-3, MET 993, 995). In September 2016, then in October 2016, and again in November 2016, MetLife requested that Deborah provide proof of continued disability. (Doc. 41-3 Met 983-984) These requests included a warning that unless the proof was provided, her life coverage under the Plan would end. (Doc. 41, MET 985-987) It appears from the record that Deborah failed to submit any such proof.

On December 1, 2016, MetLife terminated Deborah's life coverage.¹ (Doc. 41-3, MET 979, 1023-24) At the same time, MetLife allowed Deborah 180 days to administratively appeal its decision to terminate coverage. (Doc. 41-3, MET 1023) It does

¹ Effective December 31, 2016, American Water terminated the Plan's coverage through MetLife for all participants. (Doc. 41-3, MET 968)

not appear in the record that Deborah appealed or contested the decision of the MetLife to terminate coverage. A year later, in December 2017, Deborah died.

Walter, without having made a pre-suit claim, filed his complaint on March 13, 2019 in Madison County, Illinois seeking payment of death benefits under the Plan. (Doc. 1) MetLife then removed that action to this Court. On May 10, 2019, this Court granted the parties' Joint Motion to stay the proceedings to allow Walter the opportunity to exhaust his administrative remedies under the Plan and to submit his claim for benefits for consideration by MetLife as administrator under the Plan. (Doc. 16; Doc. 18)

In considering Walter's claim, it is apparent that the MetLife reviewed the materials submitted by him, together with policy and plan documentation, and determined that there was no coverage in effect at the time of Deborah's death. (Doc. 41-3, MET 920). Walter, through his counsel, was informed of the MetLife's determination and denial on June 26, 2019. Walter appealed that determination and, in support of his appeal, provided only Deborah's 1099 tax form from the Social Security Administration for the year 2016 and a letter from Deborah dated July 7, 2017 directed to American Water in which she announces her immediate retirement for "health reasons" and her inability to perform her job duties. (Doc. 41-3, MET 925, 926). On November 18, 2019, MetLife again determined that no death benefits were payable to Walter because there was no coverage in place at the time of Deborah's death. (Doc. 41-3, MET 965-68). On August 28, 2020, MetLife filed its Motion for Summary Judgment.

Summary Judgment Motion Practice

Summary judgment is appropriate only when “the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.” FED. R. CIV. P. 56. The Court shall “neither come to a conclusion on factual disputes nor weigh conflicting evidence.” *E.E.O.C. v. Sears, Roebuck & Co.*, 233 F.3d 432, 436 (7th Cir. 2000). Typically, to survive summary judgment a non-moving party must “show through specific evidence that a triable issue of fact remains on issues for which the nonmovant bears the burden of proof at trial.” *Knight v. Wiseman*, 590 F.3d 458, 463-64 (7th Cir. 2009). Summary judgment shall be denied “if the evidence is such that a reasonable jury could return a verdict for the nonmoving party.” *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986).

However, the standard associated with considering a motion for summary judgment “operates somewhat differently when we are looking at the determination of an ERISA plan administrator whose decisions are entitled to deferential review (that is whose decisions may be set aside only if arbitrary and capricious).” *Fischer v. Liberty Life Assur. Co. of Bos.*, 576 F.3d 369, 375 (7th Cir. 2009). Thus, a standard different from and much less demanding than that found in Rule 56 is to be applied to the decisions of certain administrators under ERISA.

Discussion

The Plan grants discretionary authority to MetLife as the Plan’s designated “claims administrator” and “claim fiduciary” to determine eligibility for benefits and construe

the terms of the Plan. More specifically, the Plan provides that the “Plan Administrator”, in carrying out its responsibilities “shall have discretionary authority to interpret the terms of the Plan and determine eligibility for and entitlement to Plan benefits.” (Doc. 41, MET 58). The Plan’s “ERISA Claim Fiduciary” provision provides “[f]or Purposes of ERISA, all third-party administrators and insurance carriers are fiduciaries, with complete authority to review all denied claims for benefits under this program.” (Doc. 41, MET 222). The Plan appoints MetLife as the claims administrator and insurer of the Plan’s Life and Disability coverage. (Doc. 41, MET 237)

“If a benefits plan confers discretionary authority to determine eligibility and benefits under the plan, then judicial review is deferential; if it does not, then the court makes an independent decision.” *Fischer* at 375. Here, the Plan confers on MetLife discretionary authority to determine eligibility and benefits under the Plan. This is significant for the purposes of the present motion because, under the deferential standard, as opposed to the Rule 56 summary judgment standard, “[t]he Court need only ask whether the administrator's decision was completely unreasonable.” *Kobs v. United Wis. Ins. Co.*, 400 F.3d 1036, 1039 (7th Cir. 2005). (internal quotes omitted) The administrator’s decision “may not be deemed arbitrary so long as it is possible to offer a reasoned explanation, based on the evidence, for that decision.” *Geiger v. Aetna Life Ins. Co.*, 845 F.3d 357, 362 (7th Cir. 2017) (citation omitted).

MetLife demonstrates that the decision to deny Walter benefits on the death of Deborah was founded on reasoned analysis and based on the documented evidence in the record. As noted, the record illustrates that Deborah was required under the Plan to

provide proof of disability during that period of time she was not working.² She failed to provide the necessary proof over several months notwithstanding admonishments from MetLife that her coverage would be terminated without such proof. (Doc. 41-3, Met 987) And, the record reveals that she was aware of the necessity of such proof because Deborah indicated during a November 3, 2016 telephone call with a MetLife representative that she would forward the necessary information after her appointment with her physician later that month. (Doc. 41-3, MET 979). By correspondence dated November 16, 2016, she was cautioned again that without her submission of a Physician's Statement of Disability, her coverage would be terminated. (Doc. 41-3, MET 987). Notwithstanding the warnings, she did not comply with MetLife's requests, and her coverage was terminated in December 2016.

In its determination on appeal, MetLife reiterated that the insurance coverage ends if an employee is no longer actively at work unless proof of disability is provided and that Deborah failed to provide the necessary documentation for that exception. (Doc. 41-3, MET 968). "When Mrs. Walter passed away on December 12, 2017, more than 12 months had elapsed since the date she was last Actively at Work, and more than 12 months had elapsed after the date that her coverage ended due to failure to submit proof of her Total Disability. In this case, there was no coverage payable when Mrs. Walters passed away." (Doc. 41-3, MET 968).

² See *Holmstrom v. Metro. Life Ins. Co.*, 615 F.3d 758, 767 (7th Cir. 2010) "ERISA does not prohibit a plan administrator from performing a periodic review of a beneficiary's disability status."

The Court finds that the decisions of MetLife are neither arbitrary and capricious nor unreasonable. Its decisions were based upon the language and requirements of the policy as well as documentation that establishes Deborah did not provide the necessary proof of disability nor did she appeal or contest MetLife's decision to terminate coverage. But even if MetLife would not be entitled to a deferential review, it is nevertheless entitled to a determination that there exists no genuine issue of material fact because the facts put forth by MetLife are uncontested by Walter.

Walter failed to respond to either of the MetLife's motions presently before this Court. As the record in this case reflects, Walter requested and was granted two extensions of time for filing a response to MetLife's Motion for Summary Judgment. The first extension was granted though Walter's motion was filed late. The second extension directed Walter to file his response by January 14, 2021. That deadline came and went without comment from Walter or his attorneys. It is not entirely clear whether Walter's counsel through neglect failed to file a response or whether he decided to abandon his lawsuit without sharing that intention with his counterpart or this Court. In either event, the result is the same: delay and the unnecessary expenditure of time and effort for both MetLife's attorneys and this Court.³

The Local Rules for this District provide that the "[f]ailure to timely file a response to a motion may, in the Court's discretion, be considered an admission of the merits of

³ Attorneys are not free to ignore court orders; they must manage their practices accordingly if they expect to practice in this court. *United States v. Bush*, 797 F.2d 536, 538 (7th Cir. 1986)

the motion.” S Dist. Ill., LR 7.1(c). Because the statement of facts and supporting documentation are entirely uncontroverted, this Court credits MetLife’s version of the events leading to the termination of coverage and denial of death benefits. See *FTC v. Bay Area Business Council, Inc.*, 423 F.3d 627, 634 (7th Cir.2005) (when a party fails to comply with the local rule requiring a response to a statement of undisputed material facts, the court may rely on the opposing party's statement to the extent that it is supported by citations to relevant evidence in the record).

Conclusion

Metropolitan Life Insurance Company’s Motion for Summary Judgment (Doc. 42) is **GRANTED**; Metropolitan’s Life Insurance Company’s Statement In lieu of Reply (Doc. 53) is **DENIED** as **MOOT**. The Clerk is directed to enter judgment in favor of the Defendant, Metropolitan Life Insurance Company and against the Plaintiff, Ricky L. Walter. The Court **DIRECTS** the Clerk of Court to close this case and enter judgment accordingly.

IT IS SO ORDERED.

DATE: March 1, 2021



DAVID W. DUGAN
United States District Judge