FILED
United States Court of Appeals
Tenth Circuit

September 20, 2021

Christopher M. Wolpert
Clerk of Court

UNITED STATES COURT OF APPEALS

FOR THE TENTH CIRCUIT

HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY,

Plaintiff Counterclaim Defendant - Appellee,

v.

KEISHA JONES-ATCHISON,

Defendant,

DAVID ATCHISON, SR.; FANNIE ATCHISON,

Defendants Cross-Claim Defendants,

and

ANITRA HAAG, as parent, legal guardian, and next friend of L.M.H., a minor; AMBER SMITH, as parent, legal guardian, and next friend of I.E.S., a minor; KRISTIE HALL, as parent, legal guardian, and next friend of J.H., a minor,

Intervenor Defendants Cross-Claimants Counterclaimants - Appellants.

No. 20-6135
(D.C. No. 5:17-CV-00654-J)
(W.D. Okla.)

ORDER AND JUDGMENT*

* After examining the briefs and appellate record, this panel has determined unanimously to honor the parties' request for a decision on the briefs without oral argument. *See* Fed. R. App. P. 34(f); 10th Cir. R. 34.1(G). The case is therefore submitted without oral argument. This order and judgment is not binding precedent, except under the doctrines of law of the case, res judicata, and collateral estoppel. It

---

Before **TYMKOVICH**, Chief Judge, **KELLY** and **HOLMES**, Circuit Judges.

This appeal arises from an interpleader action brought by Hartford Life And Accident Insurance Company to determine the proper beneficiary of insurance benefits payable upon the death of David Atchison II (Decedent) under an employee welfare benefits plan governed by the Employee Retirement Income Security Act of 1974 (ERISA) and administered by Hartford. The defendants were the potential beneficiaries who had submitted claims for the same benefits—Decedent's parents, David Atchison, Sr. and Fannie Atchison (the Parents), and his ex-wife, Keisha Jones-Atchison. Appellants Anitra Haag, Amber Smith, and Kristie Hall, as parents and next friends of Decedent's three minor children (collectively, the Children) intervened and asserted counterclaims against Hartford, alleging that its failure to pay benefits to the Children violated both state law and ERISA. The district court dismissed the counterclaims, concluding that ERISA preempted the state-law claims and that the Children failed to state a plausible claim under ERISA. The Children now appeal the dismissal of their ERISA claim. They do not appeal the dismissal of the state-law claims.[1] Exercising jurisdiction under 28 U.S.C. § 1291, we affirm.

---

may be cited, however, for its persuasive value consistent with Fed. R. App. P. 32.1 and 10th Cir. R. 32.1.

[1] The Children have abandoned their state-law claims by failing to argue them in their opening brief. *See Tran v. Trs. of State Colls. in Colo.*, 355 F.3d 1263, 1266 (10th Cir. 2004) ("Issues not raised in the opening brief are deemed abandoned or waived." (internal quotation marks omitted)).

BACKGROUND

Decedent died after being shot by an unknown person. He had basic life insurance, supplemental life insurance, and accidental death and dismemberment (AD&D) coverage through Hartford under his employer's plan. He had named his ex-wife as the beneficiary of the basic life insurance policy but had not named a contingent beneficiary for that policy or a beneficiary for the supplemental life insurance policy and AD&D benefits. His obituary did not indicate he had children.

Within months of his death, the ex-wife and the Parents submitted claims to the basic life insurance policy. Hartford was unsure whether Oklahoma law barred it from distributing the basic benefit to the ex-wife because police had identified her as a suspect in their investigation of Decedent's death.[2] Faced with competing claims for the same benefits from two non-designated beneficiaries and a designated beneficiary who may have been prohibited from receiving benefits, Hartford filed the interpleader action to ascertain the correct beneficiary of the basic policy.

When the Parents filed their claim to the basic policy proceeds, they also made a claim to the supplemental life and accidental death benefits. Decedent's father submitted an executed Preference Beneficiary Affidavit (PBA) stating that Decedent had no children. The PBA form explained that it was to be used when no beneficiary was named and was "to be completed only by a person . . . that can provide information . . . to assist [] Hartford in determining" the proper beneficiary under the

[2] Under Oklahoma law, a designated beneficiary convicted of the insured's murder is barred from recovery under the insurance policy. Okla. Stat. tit. 84, § 231.

policy's successive preference beneficiary provision, which provided that benefits were to be paid to the first surviving class of the following classes of the insured's surviving beneficiaries: (1) his widow; (2) his children; (3) his parents; (4) his siblings; and (5) his estate. R., Vol. II at 368. The father's PBA was notarized, and by signing it, he affirmed "under penalty of false statement, that the information provided [was] true and complete to the best of [his] knowledge and belief." *Id.* Because Decedent was not married when he died and the PBA indicated that he had no children, Hartford paid the Parents—the third class of successive preference beneficiaries—the supplemental life and accidental death benefits.

After the time limits prescribed by the plan and ERISA for adjudicating and paying claims for benefits had passed, the Children submitted a claim to Hartford for the supplemental life and accidental death benefits. Hartford denied the claim because it had already distributed those benefits to the Parents. The Children then moved to intervene in the interpleader action, seeking to be added as defendants with a claim to the basic life insurance benefit that was already the subject of the interpleader action and also to broaden the scope of the action by asserting a proposed counterclaim against Hartford to recover the supplemental life and accidental death benefits it had paid to the Parents. After the district court granted their motion to intervene, the Children asserted amended counterclaims against Hartford concerning the supplemental life and accidental death benefits. As pertinent here, they alleged that Hartford failed to conduct a reasonable search of beneficiaries

before distributing those benefits to the Parents, and asserted a claim for failure to pay benefits under ERISA. They also asserted crossclaims against the Parents.

The district court dismissed the counterclaims under Fed. R. Civ. P. 12(b)(6). For reasons discussed more fully below, it concluded the Children failed to state a plausible ERISA claim because Hartford investigated the existence of beneficiaries according to the policy provisions and plan documents, and it had no duty to investigate the veracity of the father's claim to benefits and sworn statements in the PBA by searching non-plan documents to identify other potential beneficiaries.

After the Children, the ex-wife, and the Parents reached a settlement regarding distribution of the basic life insurance proceeds, the district court dismissed the interpleader claims that gave rise to its federal-question jurisdiction. The court was then left with only the Children's state-law crossclaims against the Parents relating to the supplemental life insurance and accidental death benefits, and it declined to exercise supplemental jurisdiction over those claims. Accordingly, the court dismissed them without prejudice and entered a final judgment.[3]

DISCUSSION

The Children contend they stated a plausible claim under ERISA because although Decedent did not designate them as the beneficiaries of the supplemental life and accidental death benefits, they were the proper beneficiaries under the plan's succession provision and Hartford should have paid the benefits to them instead of

[3] We grant the Children's unopposed motion to amend the notice of appeal to correct the date of the final judgment, and we accept the amended notice of appeal.

the Parents. They maintain that Hartford unreasonably relied on the father's statement in the PBA that Decedent had no children, and that Hartford failed to adequately investigate whether there were other potential beneficiaries.

A. Legal Standards

We review de novo the dismissal of the Children's counterclaims under Rule 12(b)(6) for failure to state a claim, applying the same standards that applied in the district court. *See Cnty. of Santa Fe v. Pub. Serv. Co.*, 311 F.3d 1031, 1034 (10th Cir. 2002). To survive Hartford's motion to dismiss, their counterclaim needed to contain "sufficient factual matter, accepted as true, to 'state a claim to relief that is plausible on its face.'" *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (quoting *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007)). In conducting our review, we accept all well-pleaded facts as true, view them in the light most favorable to the Children, and draw all reasonable inferences in their favor. *See Brooks v. Mentor Worldwide LLC*, 985 F.3d 1272, 1281 (10th Cir. 2021), *petition for cert. filed* (U.S. June 25, 2021) (No. 20-1822). Our duty is to "determine whether the complaint sufficiently alleges facts supporting all the elements necessary to establish an entitlement to relief under the legal theory proposed." *Forest Guardians v. Forsgren*, 478 F.3d 1149, 1160 (10th Cir. 2007).

ERISA requires administrators to manage plans "in accordance with the documents and instruments governing" them. 29 U.S.C. § 1104(a)(1)(D); *see also Heimeshoff v. Hartford Life & Accident Ins. Co.*, 571 U.S. 99, 108 (2013) (stating that "once a plan is established, the administrator's duty is to see that the plan is

maintained pursuant to that written instrument" (brackets and internal quotation marks omitted)). In distributing benefits, the plan administrator may rely not only on the documents governing the plan but also on documents submitted to the administrator "in the way required" by the plan. *Kennedy v. Plan Adm'r for DuPont Sav. & Inv. Plan*, 555 U.S. 285, 304 (2009) (holding that plan administrator properly distributed benefits according to beneficiary designation form identifying participant's ex-wife as sole beneficiary despite her waiver of any claim to his benefits in their divorce decree, and stating that whether the form was "a plan document" was "beside the point"); *see also Foster v. PPG Indus., Inc.*, 693 F.3d 1226, 1235-37 (10th Cir. 2012) (plan administrator properly honored electronic withdrawal request made by ex-wife in participant's name in accordance with established plan procedures).

As a fiduciary, an ERISA administrator must "discharge his duties with respect to a plan solely in the interest of the participants and beneficiaries . . . with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims." 29 U.S.C. § 1104(a)(1)(B). One of the administrator's duties is to investigate the identity of potential beneficiaries when the plan documents do not expressly name one. *Cent. States, Se. & Sw. Areas Pension Fund v. Cent. Transp., Inc.*, 472 U.S. 559, 572 (1985). But under the prudent-man standard, a plan administrator that pays benefits in accordance with established plan procedures "is not obligated to inquire further" if "it has no

reason to suspect that anything was amiss." *Yarbary v. Martin, Pringle, Oliver, Wallace & Bauer, LLP*, 584 F. App'x 918, 919 (10th Cir. 2014) (internal quotation marks omitted).[4] Otherwise, "[p]lan administrators would be forced to examine a multitude of external documents that might purport to affect the dispensation of benefits," which would "undermine the congressional goal of minimizing the administrative and financial burdens on plan administrators." *Kennedy*, 555 U.S. at 301-03 (brackets and internal quotation marks omitted).

B. Application

Applying those principles here, the district court held that the Children failed to state a plausible ERISA claim because Hartford fulfilled its obligation to investigate the existence of beneficiaries according to the policy provisions. Specifically, after determining that Decedent had not named beneficiaries for the supplemental life and accidental death policies, Hartford provided his father, an identified possible beneficiary, with the PBA form. Then, based on the father's sworn statement in the PBA that Decedent had no children, Hartford distributed the benefits to the Parents in accordance with the plan's succession provision.

The district court held that Hartford's decision to rely on the PBA in distributing benefits to the Parents was reasonable given that it had no reason to doubt the father's sworn statement. In so concluding, the court rejected the Children's contention that Hartford had a duty to investigate the veracity of the

[4] We may consider non-precedential, unpublished decisions for their persuasive value. *See* Fed. R. App. P. 32.1; 10th Cir. R. 32.1(A).

father's statement and to search documents outside the plan records to identify other potential beneficiaries. *See Yarbary*, 584 F. App'x at 919 (administrators that paid benefits to participant's husband according to change-of-beneficiary-form were not liable to originally named beneficiary who claimed form was forged where they paid benefits in accordance with plan procedures and had no reason to suspect that the form was forged); *Foster*, 693 F.3d at 1235-37 (administrator was "not obligated to inquire further as to the actual identity of the requester" where benefits were withdrawn pursuant to fraudulent electronic request but according to plan procedures and administrators had no reason to suspect wrongdoing). The court also rejected the Children's contention that Hartford's reliance on the PBA was unreasonable because it is not "a plan document," explaining that it was, "at minimum, an acceptable means of investigating the existence of beneficiaries for the purpose of distributing benefits pursuant to the [p]olicy's succession provision." R., Vol. II at 508; *see Kennedy*, 555 U.S. at 304; *Foster*, 693 F.3d at 1235-37.

We have carefully reviewed the Children's brief, the district court's order, and the record. For substantially the same reasons set forth in the district court's order we conclude that the court properly dismissed their counterclaims against Hartford. *See Yarbary*, 584 F. App'x at 919 (allegation that beneficiary form was forged was insufficient to state an ERISA claim as a matter of law). Their continued insistence that the PBA was not "a plan document" is, as *Kennedy* put it, "beside the point," 555 U.S. at 304, because whether or not the PBA is a "plan document" does not control whether Hartford could rely on it in determining the proper distribution of

benefits. And contrary to the Children's contention, Hartford's recitation of the plan's succession provision in its complaint in the interpleader action does not constitute a binding judicial admission that it should have paid the Children the supplemental life and accidental death benefits. Aside from the fact that the allegations in the complaint dealt with the basic life insurance benefits, not the supplemental life and accidental death benefits at issue in the Children's counterclaims, Hartford's recitation of the plan language was not an admission of liability to the Children.[5]

CONCLUSION

We grant the Children's motion to amend the notice of appeal, and we affirm the district court's judgment.

Entered for the Court

Paul J. Kelly, Jr.
Circuit Judge

[5] "Judicial admissions are formal, deliberate declarations which a party or his attorney makes in a judicial proceeding for the purpose of dispensing with proof of formal matters or of facts about which there is no real dispute." *Asarco, LLC v. Noranda Mining, Inc.*, 844 F.3d 1201, 1212 n.3 (10th Cir. 2017) (internal quotation marks omitted).