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6 **United States District Court**
7 **Central District of California**
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9 NERSES MEGUERDITCHIAN,

10 Plaintiff,

11 v.

12 FEDERAL EXPRESS CORPORATION

13 LONG TERM DISABILITY PLAN, et al.,

14 Defendants.

Case No. 2:18-cv-00913-ODW(JC)

**ORDER GRANTING PLAINTIFF'S
MOTION TO CONDUCT
CONFLICT DISCOVERY [37]**

15 **I. INTRODUCTION**

16 Plaintiff Nerses Meguerditchian (“Plaintiff”) requests leave of court to conduct
17 discovery in a case governed by the Employee Retirement Income Security Act of
18 1974, as amended, 29 U.S.C. §§ 1001–1461 (“ERISA”).

19 Plaintiff worked for Defendant Federal Express Corporation (“Fedex”) as a
20 Senior Global Vehicle Technician until January 10, 2011. (Mot. Requesting Order for
21 Leave of Ct. to Conduct Disc. (“Mot.”) 1, ECF No. 38.) Aetna Life Insurance
22 Company (“Aetna”) is the Claims Paying Administrator for the Long Term Disability
23 Plan (“LTD”). (Def’s Resp. to Mot. 2, ECF No. 41.)

24 Plaintiff brought this lawsuit against Fedex and Aetna (collectively,
25 “Defendants”) due to the claim administrator’s decision to deny Plaintiff payment of
26 LTD benefits under the Total Disability definition, from July 18, 2013 to the present.
27 As part of Plaintiff’s claims, he alleges that there is a structural conflict of interest
28 between Fedex, Aetna, and the physicians they use such that the conflict influenced

1 “the third-party administrator’s decision making.” (Mot. 4.) Accordingly, Plaintiff
2 seeks leave of court to conduct discovery regarding the financial relationships
3 between Defendants and the physicians they use to review disability claims. (Mot. 2,
4 6.)

5 For the following reasons, the Court **GRANTS** Plaintiff’s Motion to Conduct
6 Conflict Discovery in a Case Governed by ERISA. (ECF No. 37.)

7 II. ANALYSIS

8 Generally, “no discovery is allowed in an action in federal court seeking review
9 of a denial of benefits under an ERISA plan.” *Klein v. Northwest Mut. Life Ins. Co.*,
10 806 F. Supp. 2d 1120, 1125 (S.D. Cal. June 29, 2011). However, limited discovery
11 may be allowed where “a plaintiff alleges a structural conflict of interest.” *Id.*
12 (internal quotation marks omitted). “[D]iscovery into how and why the decision was
13 made is not allowed except when such evidence is being sought to show the existence
14 of a conflict.” *Id.* at 1126 (citing *Harper v. Unum Life Ins. Co. of Am.*,
15 No.1:06cv0893, 2007 WL 1792004 (E.D. Cal. June 19, 2007)).

16 An ERISA plaintiff does not need to “prove an actual conflict of interest before
17 a court may take into account any potential conflict of interest in reviewing the
18 administrator’s decision.” *Groom v. Standard Ins. Co.*, 492 F. Supp. 2d 1202, 1204
19 (C.D. Cal. 2007). An ERISA plaintiff is entitled to limited discovery “relevant to the
20 nature, extent, and effect on the decision-making process of any conflict of interest
21 that may appear in the record.” *Id.* at 1205 (quoting *Abatie v. Alta Health & Life Ins.*
22 *Co.*, 458 F.3d 955, 965 (9th Cir. 2006) (en banc)) (internal quotation marks omitted).
23 However, such discovery must be narrowly tailored and cannot be a fishing
24 expedition. *Groom*, 492 F. Supp. 2d at 1204; *see also Baldoni v. Unumprovident,*
25 *Illinois Tool Works, Inc.*, CV No. 03-1381-AS, 2007 WL 649295 at *7 (D. Ore. Feb.
26 26, 2007) (“[D]iscovery should only be allowed when narrowly tailored to
27 significantly illuminate the conflict’s effect on the specific benefit decision under
28 review.”).

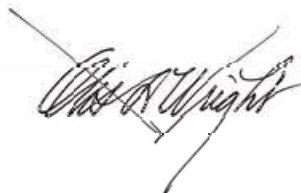
1 The Court does not reach the merits of whether there is a structural conflict of
2 interest. The Court only finds that pursuant to *Abatie*, discovery in ERISA cases may
3 be warranted in certain circumstances and that Plaintiff may pursue discovery related
4 to a structural conflict of interest. *See Abatie*, 458 F.3d at 965. Accordingly, Plaintiff
5 should propound his conflict of interest discovery on Defendants, and should
6 Defendants object and/or refuse to respond, then Plaintiff's specific discovery requests
7 should be refiled as motions to compel with Magistrate Judge Choolijian, who will
8 then determine the propriety of such requests including whether the specific requests
9 are narrowly tailored such that they fall within the limited scope of conflict of interest
10 discovery.

11 III. CONCLUSION

12 Accordingly, for the reasons discussed above, the Court **GRANTS** Plaintiff's
13 Motion, and Plaintiff may propound discovery related to the alleged structural conflict
14 of interest.

15
16 **IT IS SO ORDERED.**

17
18 November 5, 2018



19 **OTIS D. WRIGHT, II**
20 **UNITED STATES DISTRICT JUDGE**