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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

BRIAN H. and ALEX H.,
Plaintiffs,
v.
BLUE SHIELD OF CALIFORNIA, et al.,
Defendants.

Case No. [17-cv-03095-MMC](#)

ORDER GRANTING IN PART AND DENYING IN PART PLAINTIFFS' MOTION FOR JUDGMENT; GRANTING IN PART AND DENYING DEFENDANTS' CROSS-MOTION FOR JUDGMENT; REMANDING FOR FURTHER PROCEEDINGS

Before the Court are two motions: (1) Motion for Judgment, filed December 21, 2018, by plaintiffs Brian H. and Alex H.; and (2) Cross-Motion for Judgment, filed January 23, 2019, by defendants California Physicians' Service dba Blue Shield ("Blue Shield"), Trinet Group Inc. Section 125, Section 129, and Flexible Account Spending Plan ("Trinet Plan"), and Trinet Group, Inc. ("Trinet Group"). The matter came on regularly for hearing on March 8, 2019. Katie J. Spielman and David M. Lilienstein of DL Law Group appeared on behalf of plaintiffs. Joseph E. Laska and Anastasia Bondarchuk of Manatt, Phelps & Phillips, LLP appeared on behalf of defendants.

Having considered the parties' respective written submissions and the arguments of counsel at the hearing, the Court, for the reasons stated on the record at the hearing, finds:

1. Blue Shield misconstrued the Blue Shield PPO Health Plan ("the Plan"); in particular, Blue Shield failed to consider whether the services for which plaintiffs' claim was made were "furnished under generally accepted professional standards." (See Administrative Record at BSC000394.)

2. Plaintiffs have failed to show that either Trinet Plan or Trinet Group is in any

1 manner liable for payment of benefits due under the Plan or that either of said defendants
2 violated any provision of the Employee Retirement Income Security Act or any of the
3 terms of the Plan.

4 Accordingly, the Court hereby GRANTS IN PART and DENIES IN PART plaintiffs'
5 motion, and hereby GRANTS IN PART and DENIES IN PART defendants' cross-motion,
6 as follows:

7 1. As to Blue Shield, judgment is granted in favor of plaintiffs and the matter is
8 hereby REMANDED to Blue Shield for consideration of plaintiffs' claim for benefits under
9 a standard consistent with this order. See Saffle v. Sierra Power Co. Bargaining Unit
10 Long Term Disability Income Plan, 85 F.3d 455, 461 (9th Cir. 1996) (holding "remand for
11 reevaluation of the merits of a claim is the correct course to follow when an ERISA plan
12 administrator, with discretion to apply a plan, has misconstrued the [p]lan and applied a
13 wrong standard to a benefits determination").


14 2. As to Trinet Plan and Trinet Group, judgment is granted in favor of said
15 defendants.

16 **IT IS SO ORDERED.**

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18 Dated: March 11, 2019

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MAXINE M. CHESNEY
United States District Judge

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