

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF
INDIANA, NEW ALBANY DIVISION

Sheena L. v. Frank J. Bisignano, Commissioner of Social Security

No. 4:23-cv-00061-KMB-TWP, United States District Court for the Southern District of Indiana, New Albany
Division (April 30, 2026)

SUMMARY

The United States District Court for the Southern District of Indiana granted Plaintiff Sheena L.'s motion for attorney's fees under 42 U.S.C. § 406(b) after remand resulted in an award of \$83,545 in past-due Social Security benefits. The court approved a fee of \$20,886.25, representing 25% of the past-due benefits, and found the fee reasonable despite the high effective hourly rate. The court directed the Commissioner to pay the fee from the past-due benefits and stated that counsel could not seek additional fees for work performed before the Social Security Administration under § 406(a).

CASE DETAILS

COURT	United States District Court for the Southern District of Indiana, New Albany Division
JURISDICTION	United States District Court for the Southern District of Indiana, New Albany Division
DECIDED	April 30, 2026
DOCKET	4:23-cv-00061-KMB-TWP
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved for attorney's fees under 42 U.S.C. § 406(b) after prevailing in a Social Security disability judicial-review action and obtaining past-due benefits on remand.
STANDARD OF REVIEW	The court independently reviews an unopposed § 406(b) fee request to determine whether the contingency-fee arrangement produces a reasonable result, considering the character and results of the representation, attorney-caused delay, time expended, the effective hourly rate, the risk of loss, and potential windfall.
PRECEDENTIAL VALUE	Unpublished district-court order; precedential status not specified
PARTIES	Sheena L. v. Frank J. Bisignano, Commissioner of Social Security

TOPICS

attorney fees

judicial review of agency action

administrative law

remedies

civil procedure

PRACTICE AREAS

Social Security

administrative law

attorney fees

civil procedure

QUESTIONS PRESENTED

1. Whether the court should approve Plaintiff's requested attorney's fee of \$20,886.25 under 42 U.S.C. § 406(b).
2. Whether the requested fee was reasonable notwithstanding an effective hourly rate of \$4,443.99.
3. Whether the prior EAJA award required an offset when counsel did not receive the EAJA payment because it was seized to satisfy Plaintiff's federal debt.

HOLDINGS

1. A district court must independently review a fee arrangement under 42 U.S.C. § 406(b), even when the Commissioner does not oppose the request, to ensure that it yields a reasonable result in the particular case.
2. The requested fee of \$20,886.25, equal to 25% of Plaintiff's past-due benefits, was reasonable under § 406(b) and should be approved.
3. No offset under 28 U.S.C. § 2412(d) was required because counsel did not receive the prior EAJA award.

KEY QUOTATIONS

"Even when a Plaintiff's motion for fees under § 406(b) is not opposed, the Court has a duty to review the fee arrangements, which serves 'as an independent check, to assure that they yield reasonable results in particular cases.'" (at 2)

"If the fee award amounts to a 'windfall,' the court must carefully review the reasonableness of the contingency agreement." (at 5)

FACTUAL BACKGROUND

The court previously reversed the Commissioner's denial of benefits and remanded the matter for further administrative proceedings. On remand, an administrative law judge found Plaintiff disabled since June 30, 2019 and awarded \$83,545 in past-due benefits. Plaintiff's fee agreement provided for up to 25% of past-due benefits, and counsel sought \$20,886.25 under § 406(b), representing 4.7 hours of documented district-court work and agreeing not to seek additional § 406(a) fees for agency work.

PROCEDURAL HISTORY

Plaintiff sought review of the Commissioner's determination that she was not disabled. The court reversed the Commissioner's decision and remanded for further administrative proceedings on August 16, 2023. On remand,

an administrative law judge found Plaintiff disabled as of June 30, 2019 and awarded \$83,545 in past-due benefits. Plaintiff then moved for \$20,886.25 in § 406(b) attorney's fees, and the court granted the motion.

DISPOSITION

other

REMAND INSTRUCTIONS

The Commissioner must direct the Social Security Administration to pay Plaintiff's attorney \$20,886.25 from the withheld past-due benefits and release any remaining withheld past-due benefits to Plaintiff. Counsel may not request additional fees for work performed before the SSA under § 406(a).

CASES CITED

- O'Donnell v. Saul, 983 F.3d 950, 957 (7th Cir. 2020)
- Gisbrecht v. Barnhart, 535 U.S. 789, 807-08 (2002)
- Arnold v. O'Malley, 106 F.4th 595, 600-02 (7th Cir. 2024)
- Jennifer M.A. v. Bisignano, 1:23-cv-00470-MKK-JRS (S.D. Ind. Feb. 3, 2026)
- Chad S. v. Dudek, No. 1:20-cv-02349-MJD-JMS, 2025 WL 724551, at *8 (S.D. Ind. Mar. 5, 2025)
- McGuire v. Sullivan, 873 F.2d 974, 981 (7th Cir. 1989)
- Demonja v. O'Malley, 2:21-cv-305-JEM (N.D. Ind. Apr. 2, 2024)