UNITED STATES COURT OF APPEALS FOR THE EIGHTH CIRCUIT

Trustees of the Electricians' Salary Deferral Plan v. Wright

688 F.3d 922 (8th Cir. 2012) · No. 11-2051 · Decided August 21, 2012

SUMMARY

The Eighth Circuit affirmed summary judgment enforcing an ERISA plan administrator's determination that Pamela Wright-Dallas, rather than Eloise Walker, was entitled to benefits following Bernard Walker's death. The court held that Walker forfeited her argument concerning the completeness of the administrative record by failing to raise it below, and that abuse-of-discretion review properly applied because the plan's Appeals Committee had decided the merits. The court also rejected heightened review based on alleged procedural irregularities.

CASE DETAILS

COURT	United States Court of Appeals for the Eighth Circuit
WRITING FOR THE COURT	Shepherd; Smith; Beam
JURISDICTION	Federal
DECIDED	August 21, 2012
DOCKET	11-2051
DISPOSITION	affirmed
PROCEDURAL POSTURE	Eloise Walker appealed the district court's grant of summary judgment enforcing an ERISA plan administrator's determination that Pamela Wright-Dallas was the beneficiary of Bernard Walker's plan benefits.
STANDARD OF REVIEW	ERISA benefits decisions are reviewed for abuse of discretion when the plan grants the administrator discretionary authority. De novo review applies when the administrator did not exercise the discretion granted to it. A less deferential or heightened review based on procedural irregularities requires a serious procedural irregularity causing a serious breach of fiduciary duty and connected to the substantive decision.
PRECEDENTIAL VALUE	published precedential opinion
PARTIES	Eloise Walker v. Pamela Wright, also known as Pamela Dallas, Trustees of the Electricians' Salary Deferral Plan, Trustees of the Local No. 1, IBEW Pension Benefit Trust Fund

TOPICS

employee benefits · erisa · summary judgment · standard of review · appellate procedure

PRACTICE AREAS

ERISA · employee benefits · appellate procedure · administrative law

QUESTIONS PRESENTED

1. Whether the district court plainly erred by granting summary judgment without reviewing the entire administrative record.
2. Whether the district court applied the proper abuse-of-discretion standard when reviewing the plan administrator's benefits determination.
3. Whether alleged procedural irregularities required heightened or de novo review of the ERISA benefits determination.
4. Whether the Eighth Circuit had jurisdiction to review the district court's interlocutory denial of appointed counsel when that order was not designated in the notice of appeal.

HOLDINGS

1. The district court did not commit plain error by granting summary judgment because Walker did not raise the administrative-record argument below and failed to show that the omitted employment and investment records likely altered the outcome.
2. The district court properly applied abuse-of-discretion review because the plan administrator and Appeals Committee exercised the discretionary authority granted by the plan and addressed the merits of Walker's undue-influence and mental-capacity claims.
3. Heightened review was unwarranted because Walker failed to establish a serious procedural irregularity causing a serious breach of fiduciary duty and failed to show any connection between the alleged irregularity and the substantive benefits decision.
4. The Eighth Circuit lacked jurisdiction to review the denial of appointed counsel because Walker's notice of appeal did not designate that order and her later Form A was filed outside the appeal period.

KEY QUOTATIONS

> *"The mere assertion of an apparent irregularity, without more, is insufficient to give rise to heightened review."* (at 925)

> *"For a less deferential standard of review to apply, Walker must demonstrate a "serious procedural irregularity caused a serious breach of [the Plan's] fiduciary duty.""* (at 926)

FACTUAL BACKGROUND

Bernard Walker, an electrician and participant in a 401(k) plan and pension plan, designated his cousin Pamela Wright-Dallas as beneficiary rather than his mother, Eloise Walker. After Bernard's death, the plan administrator denied Eloise's claim based on the beneficiary designation. Eloise alleged that Bernard lacked mental capacity and acted under undue influence, but the Appeals Committee rejected those arguments and denied her request for a hearing.

PROCEDURAL HISTORY

The trustees filed an interpleader action and deposited the disputed death benefits with the district court. The trustees were dismissed from the action, after which Wright-Dallas filed a cross-claim against Walker and sought summary judgment enforcing the administrative benefits determination. The district court denied Walker's request for appointed counsel and granted summary judgment for Wright-Dallas. Walker appealed the summary judgment ruling; the Eighth Circuit held that it lacked jurisdiction to review the separate denial of appointed counsel because that order was not designated in the notice of appeal.

DISPOSITION

affirmed

CASES CITED

- Callow v. Prudential Insurance Co. of America, 2009 WL 1455326, at *1 (W.D. Wash. May 21, 2009)
- Kearney v. Standard Insurance Co., 175 F.3d 1084, 1090 (9th Cir. 1999) (en banc)
- Brown v. Seitz Foods, Inc. Disability Benefit Plan, 140 F.3d 1198, 1200 (8th Cir. 1998)
- Wiser v. Wayne Farms, 411 F.3d 923, 926 (8th Cir. 2005)
- Cole v. International Union, 533 F.3d 932, 936 (8th Cir. 2008)
- Littrell v. Franklin, 388 F.3d 578, 587 (8th Cir. 2004)
- Berdella v. Delo, 972 F.2d 204, 207-208 (8th Cir. 1992)
- Schibursky v. International Business Machines, 89 F.3d 841, 1996 WL 351141, at *1-*2 (8th Cir. 1996) (unpublished per curiam)
- Smith v. Barry, 502 U.S. 244 (1992)
- Hankins v. Standard Insurance Co., 677 F.3d 830, 834 (8th Cir. 2012)
- Alliant Techsystems, Inc. v. Marks, 465 F.3d 864, 868-869 (8th Cir. 2006)
- Layes v. Mead Corp., 132 F.3d 1246, 1250 (8th Cir. 1998)
- Menz v. Procter & Gamble Health Care Plan, 520 F.3d 865, 869 (8th Cir. 2008)
- Torres v. UNUM Life Insurance Co. of America, 405 F.3d 670, 679 (8th Cir. 2005)
- Wade v. Aetna Life Insurance Co., 2012 WL 3000661, at *1 (8th Cir. July 24, 2012)