

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF IDAHO

Elhadi Benkirane v. Magellan Healthcare Inc., David Welsh, David Tovar, and Does I-X

Benkirane · No. 2:25-cv-00314-DCN · Decided March 27, 2026

SUMMARY

The United States District Court for the District of Idaho dismissed Elhadi Benkirane’s claims against Magellan Healthcare Inc. and David Tovar without prejudice because the claims arose from a network provider agreement to which Benkirane was not a party. The court granted Benkirane leave to amend to add the proper party, noting that WHR must be represented by licensed counsel if it becomes a party. The court denied the motion to compel arbitration as moot and granted the motion to seal.

CASE DETAILS

COURT	United States District Court for the District of Idaho
WRITING FOR THE COURT	David C. Nye
JURISDICTION	United States District Court for the District of Idaho
DECIDED	March 27, 2026
DOCKET	2:25-cv-00314-DCN
DISPOSITION	dismissed
PROCEDURAL POSTURE	Defendants moved to dismiss under Federal Rule of Civil Procedure 12(b)(1) and, alternatively, to compel arbitration. The district court dismissed the complaint without prejudice for lack of standing and granted plaintiff leave to amend.
STANDARD OF REVIEW	On a Rule 12(b)(1) motion, the court may consider whether the complaint establishes subject matter jurisdiction and may resolve a factual jurisdictional attack by reviewing evidence outside the complaint without converting the motion into a motion for summary judgment.
PRECEDENTIAL VALUE	Unknown

TOPICS

- standing
- motions to dismiss
- arbitration
- contracts
- civil procedure

PRACTICE AREAS

civil procedure

contracts

arbitration

health law

QUESTIONS PRESENTED

1. Whether Benkirane had standing to assert claims arising from a Network Provider Agreement to which he was not a party.
2. Whether the complaint should be dismissed without prejudice and plaintiff granted leave to amend to add the proper party.
3. Whether defendants' alternative motion to compel arbitration remained justiciable after dismissal.

HOLDINGS

1. Benkirane lacked standing to pursue claims arising from the Network Provider Agreement because he was not a party to the Agreement; WHR, the contracting entity, was the proper party in interest.
2. Dismissal was without prejudice, and Benkirane was granted leave to amend because adding the proper party could cure the standing defect.
3. The motion to compel arbitration was denied as moot because the complaint was dismissed. The court additionally observed that the Agreement did not bind Benkirane personally and that not all claims appeared subject to the arbitration provision.
4. If WHR is added as a party, it must be represented by licensed counsel because a business entity may not proceed pro se.

KEY QUOTATIONS

“It is axiomatic in the law of contract that a person not in privity cannot sue on a contract.” (Discussion)

“Because all of Benkirane’s claims are related to alleged breaches of a contract to which he is not privy, the Complaint is DISMISSED for lack of standing.” (Conclusion)

FACTUAL BACKGROUND

Benkirane was the executive director of WHR IOP LLC, an Idaho company providing addiction rehabilitation treatment to Medicare and Medicaid recipients. WHR, not Benkirane personally, entered into a Network Provider Agreement with Magellan under which Magellan processed WHR's insurance claims. Benkirane alleged that Magellan failed to pay more than \$160,000 in claims, retaliated after he threatened suit, audited WHR, and terminated the Agreement, and he sought relief in his individual capacity.

PROCEDURAL HISTORY

Benkirane, proceeding pro se, sued Magellan Healthcare Inc., David Welsh, and David Tovar based principally on alleged nonpayment and termination of a Network Provider Agreement. Defendants moved to dismiss or compel arbitration. The court granted dismissal without prejudice, granted leave to amend, denied the arbitration request as moot, and granted a motion to seal.

DISPOSITION

dismissed

CASES CITED

- Arbaugh v. Y&H Corp., 546 U.S. 500, 506 (2006)
- Demarest v. United States, 718 F.2d 964, 965 (9th Cir. 1983)
- White v. Lee, 227 F.3d 1214, 1242 (9th Cir. 2000)
- Safe Air for Everyone v. Meyer, 373 F.3d 1035, 1039 (9th Cir. 2004)
- Chiron Corp. v. Ortho Diagnostic Sys., Inc., 207 F.3d 1126, 1130 (9th Cir. 2000)
- E.E.O.C. v. Waffle House, Inc., 534 U.S. 279, 289 (2002)
- Lifescan, Inc. v. Premier Diabetic Servs., Inc., 363 F.3d 1010, 1012 (9th Cir. 2004)
- Ashbey v. Archstone Prop. Mgmt., Inc., 785 F.3d 1320, 1323 (9th Cir. 2015)
- Wing v. Martin, 107 Idaho 267, 272, 688 P.2d 1172, 1177 (1984)
- Rowland v. California Men's Colony, Unit II Men's Advisory Council, 506 U.S. 194, 201-02 (1993)

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