UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT

Stephanie Dorris v. Unum Life Insurance Company of America

No. 19-1701, United States Court of Appeals for the Seventh Circuit (February 3, 2020)

SUMMARY

In an ERISA disability benefits case under de novo review, the Seventh Circuit clarified that the plaintiff bears the burden of proving entitlement to benefits, not merely that the plan administrator erred. The court affirmed summary judgment for the insurer where the plaintiff failed to present evidence on the "any occupation" or "20% less" prongs of the disability definition, as gaps in the record cut against the claimant. The court also held that arguments not adequately raised in the district court—including a cursory assertion of the 20% less option—are waived, and that a district court does not abuse its discretion by limiting review to the administrative record where the plaintiff sought only duplicative discovery and failed to object to a magistrate judge's protective order.

CASE DETAILS

COURT	United States Court of Appeals for the Seventh Circuit
WRITING FOR THE COURT	ST. EVE; HAMILTON; SCUDDER
JURISDICTION	Federal
DECIDED	February 3, 2020
DOCKET	19-1701
DISPOSITION	affirmed
PROCEDURAL POSTURE	Appeal from the United States District Court for the Southern District of Illinois, No. 3:16-cv-00508, Staci M. Yandle, Judge. Cross-motions for judgment on the administrative record under Rule 52.
STANDARD OF REVIEW	Factual findings reviewed for clear error under Fed. R. Civ. P. 52(a)(6); decisions to limit the record and deny motion to amend reviewed for abuse of discretion.
PRECEDENTIAL VALUE	Published
PARTIES	Stephanie Dorris v. Unum Life Insurance Company of America

TOPICS

erisa · insurance coverage · standard of review · burden of proof · appellate procedure

PRACTICE AREAS

ERISA | Insurance Law | Disability Benefits

QUESTIONS PRESENTED

1. Whether the district court clearly erred in finding that Dorris failed to meet her burden of proof under the 'any occupation' prong of the disability definition.
2. Whether the district court abused its discretion in limiting its review to the administrative record.
3. Whether the district court abused its discretion in denying Dorris's motion to amend the judgment.

HOLDINGS

1. The district court's finding that Dorris did not provide sufficient evidence to carry her burden under the 'any occupation' option was not clearly erroneous. The court plausibly found that the medical evidence and Social Security decision did not preclude all gainful occupations.
2. The district court did not abuse its discretion because it did not exclude any relevant extra-record evidence that Dorris offered; Dorris never sought additional discovery after the protective order and failed to object to the magistrate judge's order.
3. The district court did not abuse its discretion because the motion sought to correct Dorris's own procedural failure to present evidence, not any error by the court.

KEY QUOTATIONS

> *“At least in this circuit, ERISA de novo review requires no review at all, but an independent decision.”* (at 1)

> *“the plaintiff bears the burden of proving not that the plan administrator erred, but that she is entitled to the benefits she seeks.”* (at 2)

> *“The district court's findings were not only plausible but eminently reasonable on this limited record.”* (at 13)

> *“A motion to amend the judgment under Rule 59 is not a vehicle for a party to undo its own procedural failures.”* (at 17)

FACTUAL BACKGROUND

Dorris was president of Beans Plus, Inc., which had a long-term disability plan through Unum. She suffered from endometriosis and later Lyme disease, became disabled, and received benefits from 2002. In 2015, Unum reviewed her case and terminated benefits, concluding she could perform her regular occupation as president. Dorris appealed administratively, but Unum denied the appeal. She then filed suit in district court.

PROCEDURAL HISTORY

Dorris sued Unum under ERISA after Unum terminated her long-term disability benefits. The district court reviewed the administrative record de novo, found that Dorris could not perform her regular occupation, but found she failed to prove entitlement to benefits under the 'any occupation' or '20% less' options, and entered judgment for Unum. Dorris moved to amend the judgment under Rule 59, which was denied.

DISPOSITION

affirmed

CASES CITED

- Firestone Tire & Rubber Co. v. Bruch, 489 U.S. 101 (1989)
- Cheney v. Standard Ins. Co., 831 F.3d 445 (7th Cir. 2016)
- Krolnik v. Prudential Ins. Co. of Am., 570 F.3d 841 (7th Cir. 2009)
- Diaz v. Prudential Ins. Co. of Am., 499 F.3d 640 (7th Cir. 2007)
- Marantz v. Permanente Med. Grp., Inc. Long Term Disability Plan, 687 F.3d 320 (7th Cir. 2012)
- Patton v. MFS/Sun Life Fin. Distribs., Inc., 480 F.3d 478 (7th Cir. 2007)
- Ruttenberg v. U.S. Life Ins. Co., 413 F.3d 652 (7th Cir. 2005)
- Dragus v. Reliance Standard Life Ins. Co., 882 F.3d 667 (7th Cir. 2018)
- Tate v. Long Term Disability Plan for Salaried Emps. of Champion Int'l Corp. No. 506, 545 F.3d 555 (7th Cir. 2008)
- Pakovich v. Broadspire Services, Inc., 535 F.3d 601 (7th Cir. 2008)
- Ariana M. v. Humana Health Plan of Tex., Inc., 884 F.3d 246 (5th Cir. 2018) (en banc)
- Black v. Long Term Disability Ins., 582 F.3d 738 (7th Cir. 2009)
- Mathin v. Kerry, 782 F.3d 804 (7th Cir. 2015)
- Anderson v. City of Bessemer City, 470 U.S. 564 (1985)
- CNH Indus. Am. LLC v. Jones Lang LaSalle Ams., Inc, 882 F.3d 692 (7th Cir. 2018)
- Villas at Winding Ridge v. State Farm Fire & Cas. Co., 942 F.3d 824 (7th Cir. 2019)
- Puffer v. Allstate Ins. Co., 675 F.3d 709 (7th Cir. 2012)
- United States v. Dunkel, 927 F.2d 955 (7th Cir. 1991) (per curiam)
- Ajayi v. Aramark Bus. Servs., Inc., 336 F.3d 520 (7th Cir. 2003)
- Barnes v. City of Centralia, 943 F.3d 826 (7th Cir. 2019)
- Econ. Folding Box Corp. v. Anchor Frozen Foods Corp., 515 F.3d 718 (7th Cir. 2008)
- Barrington Music Prod., Inc. v. Music & Arts Ctr., 924 F.3d 966 (7th Cir. 2019)
- Davis v. Kayira, 938 F.3d 910 (7th Cir. 2019)
- Cincinnati Life Ins. Co. v. Beyrer, 722 F.3d 939 (7th Cir. 2013)
- Hardt v. Reliance Standard Life Ins. Co., 560 U.S. 242 (2010)