

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MAINE

Patient Advocates, LLC v. Prysunka

316 F. Supp. 2d 46 (D. Me. 2004) · No. Civ. No. 03-118-P-H · Decided March 24, 2004

SUMMARY

The United States District Court for the District of Maine affirmed the Magistrate Judge's recommended decision granting summary judgment to the Maine Health Data Organization's executive director. The court held that health claims data required to be reported under Maine law were not shown to constitute ERISA plan assets and concluded that the reporting requirement therefore was not preempted. The court also expressed skepticism that disclosure would conflict with ERISA fiduciary obligations even if the data qualified as plan assets.

CASE DETAILS

COURT	United States District Court for the District of Maine
WRITING FOR THE COURT	D. Brock Hornby
JURISDICTION	Maine
DECIDED	March 24, 2004
DOCKET	Civ. No. 03-118-P-H
DISPOSITION	other
PROCEDURAL POSTURE	The district court reviewed de novo a magistrate judge's report and recommended decision on the defendant's motion for summary judgment after the plaintiff filed an objection.
STANDARD OF REVIEW	De novo review of the matters adjudicated by the magistrate judge's recommended decision; summary judgment is proper when the nonmoving party fails to designate specific facts showing a genuine issue for trial on a dispositive issue.
PRECEDENTIAL VALUE	Published federal district court opinion
PARTIES	Patient Advocates, LLC v. Alan M. Prysunka, in his official capacity as Executive Director of the Maine Health Data Organization

TOPICS

[erisa](#)[health law](#)[summary judgment](#)[federalism](#)[civil procedure](#)

PRACTICE AREAS

ERISA health law administrative law federal courts

QUESTIONS PRESENTED

1. Whether the health-care claims data that Patient Advocates obtained while administering ERISA plans constituted ERISA plan assets.
2. Whether Maine's law requiring disclosure of the claims data conflicted with or was preempted by ERISA fiduciary obligations.

HOLDINGS

1. On the summary-judgment record, the claims data were not ERISA plan assets because Patient Advocates produced no evidence that the data had financial value or were treated by the plan sponsors or administrator as plan assets.
2. The court did not need to decide whether claims data could ever be ERISA plan assets because it concluded that the data in this case were not plan assets. The court nevertheless expressed skepticism that complying with Maine's reporting law would violate ERISA fiduciary obligations even if the data qualified as plan assets.

KEY QUOTATIONS

“Without deciding whether information or data could ever constitute “plan assets” under ERISA, I conclude that the data here are not plan assets.” (49)

“It is therefore ORDERED that the Recommended Decision of the Magistrate Judge is hereby ADOPTED. The defendant's motion for summary judgment is GRANTED.” (49)

FACTUAL BACKGROUND

Maine's Health Data Organization requires certain entities, including third-party administrators and payers, to submit health-care claims data for a statewide health-information database. Patient Advocates, a third-party administrator for ERISA welfare benefit plans, processed 77,664 health-care claims in 2002 and therefore possessed information subject to the reporting requirements. Patient Advocates contended that the claims information was an ERISA "plan asset" and that Maine's reporting law was preempted by ERISA. The summary-judgment record contained no evidence that the data had financial value or that the plans or Patient Advocates had treated the data as plan assets.

PROCEDURAL HISTORY

The magistrate judge issued a recommended decision on January 21, 2004, recommending disposition of the defendant's motion for summary judgment. Patient Advocates objected on February 9, 2004. After conducting a de novo review, the district court adopted the recommended decision, granted the defendant's motion for summary judgment, and determined that no further proceedings were necessary.

DISPOSITION

other

CASES CITED

- Health Cost Controls v. Bichanich, 968 F. Supp. 396, 399 (N.D. Ill. 1997)
- Celotex Corp. v. Catrett, 477 U.S. 317 (1986)
- Egelhoff v. Egelhoff, a minor, by and through her natural parent, Breiner, et al., Egelhoff v. Egelhoff, 532 U.S. 141, 121 S. Ct. 1322, 149 L. Ed. 2d 264 (2001)
- Acosta v. Pacific Enterprises, 950 F.2d 611, 620 (9th Cir. 1991)

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