

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF KANSAS

Servicios Medicos Para Todos SA DE CV d/b/a Hospital Quirurgica
Del Sur v. Blue Cross And Blue Shield Of Kansas, Inc.

Servicios Medicos Para Todos · No. No. 25-4094-KHV · Decided May 26, 2026

SUMMARY

The United States District Court for the District of Kansas overruled Blue Cross and Blue Shield of Kansas, Inc.'s motion for judgment on the pleadings in an ERISA benefits dispute involving an alleged assignment of benefits to a healthcare provider. The court held that the anti-assignment language presented in the limited plan excerpt was ambiguous as to whether it barred assignment of the right to sue for benefits. The court also ordered the plaintiff to file a reply to the defendant's answer.

CASE DETAILS

COURT	United States District Court for the District of Kansas
WRITING FOR THE COURT	Kathryn H. Vratil
JURISDICTION	United States District Court for the District of Kansas
DECIDED	May 26, 2026
DOCKET	No. 25-4094-KHV
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff brought an ERISA benefits claim against Blue Cross and Blue Shield of Kansas after receiving partial payment for medical services. After removal from Kansas state court and filing of an amended complaint, BCBS moved for judgment on the pleadings under Federal Rule of Civil Procedure 12(c), arguing that the plan's anti-assignment provision barred plaintiff's claim.
STANDARD OF REVIEW	On a Rule 12(c) motion, judgment is appropriate only when no material issue of fact remains and the movant is entitled to judgment as a matter of law. The court applies the same standard as under Rule 12(b)(6), accepting well-pleaded factual allegations as true, disregarding legal conclusions, and determining whether the complaint plausibly states an entitlement to relief. The court may consider documents attached to or incorporated into the pleadings, documents integral to the complaint, and matters subject to judicial notice.
PRECEDENTIAL VALUE	unpublished district-court memorandum and order; nonprecedential

TOPICS

motion for judgment on the pleadings

insurance

health law

contract interpretation

civil procedure

PRACTICE AREAS

ERISA

health insurance

civil procedure

contract interpretation

QUESTIONS PRESENTED

1. Whether BCBS was entitled to judgment on the pleadings because the plan's anti-assignment provision unambiguously barred plaintiff, as assignee, from suing for ERISA benefits.
2. Whether the limited plan provision and conflicting evidentiary submissions permitted the court to determine the enforceability and scope of the anti-assignment provision as a matter of law on a Rule 12(c) motion.

HOLDINGS

1. The anti-assignment provision was ambiguous as to whether it prohibited assignment of all plan rights, only appeal rights, or the right to sue for benefits; therefore, the court declined to enforce it on a motion for judgment on the pleadings.
2. Judgment on the pleadings was inappropriate because the court could not determine the meaning and scope of the anti-assignment provision as a matter of law from the incomplete and conflicting record.

KEY QUOTATIONS

"The plan language before the Court is ambiguous and declines to enforce it on a motion for judgment on the pleadings."

"Since the whole contract is not before the Court, and the record contains conflicting evidentiary submissions, the Court cannot determine that issue as a matter of law."

FACTUAL BACKGROUND

C. Rziha received emergency-room treatment from plaintiff on January 14, 2022, totaling \$130,073.41, under an employee welfare benefit plan administered or insured by BCBS. C. Rziha's guardian, D. Rziha, executed an assignment of benefits authorizing direct payment to plaintiff, which then billed BCBS. BCBS treated the services as excluded or out of network, made only partial payment, and denied plaintiff's subsequent appeals. BCBS relied on a plan provision stating that an insured's rights were not assignable, but the court had only one page of the plan before it.

PROCEDURAL HISTORY

Plaintiff filed suit in Kansas state court on July 28, 2025. BCBS removed the case to the United States District Court for the District of Kansas on September 29, 2025. Plaintiff filed an amended complaint adding claims against Catarina Rziha and David Rziha, and BCBS later moved for judgment on the pleadings. The court overruled the motion and ordered plaintiff to reply to BCBS's answer under Rule 7(a)(7).

DISPOSITION

other

CASES CITED

- Sanders v. Mountain Am. Fed. Credit Union, 689 F.3d 1138, 1141 (10th Cir. 2012)
- Jenkins v. Cnty. of Washington, 126 F. Supp. 3d 255, 274 (N.D.N.Y. 2015)
- Atl. Richfield Co. v. Farm Credit Bank, 226 F.3d 1138, 1160 (10th Cir. 2000)
- Mock v. T.G. & Y. Stores Co., 971 F.2d 522, 528 (10th Cir. 1992)
- Ashcroft v. Iqbal, 556 U.S. 662, 678-80 (2009)
- Bell Atl. Corp. v. Twombly, 550 U.S. 544, 555-57 (2007)
- Conley v. Gibson, 355 U.S. 41, 45-46 (1957)
- GFF Corp. v. Associated Wholesale Grocers, Inc., 130 F.3d 1381, 1384 (10th Cir. 1997)
- Scheuer v. Rhodes, 416 U.S. 232, 236 (1974)
- Hall v. Bellmon, 935 F.2d 1106, 1110 (10th Cir. 1991)
- Robbins v. Oklahoma, 519 F.3d 1242, 1248 (10th Cir. 2008)
- Phillips v. Cnty. of Allegheny, 515 F.3d 224, 23-32 (3d Cir. 2008)
- Denver Health & Hosp. Auth. v. Beverage Distributors Co., LLC, 546 F. App'x 742, 745 (10th Cir. 2013)
- St. Francis Reg'l Med. Ctr. v. Blue Cross & Blue Shield of Kansas, Inc., 49 F.3d 1460, 1464 (10th Cir. 1995)
- CSMN Operations LLC v. Aetna Life Ins. Co., No. 24-CV-00368-NYW-RTG, 2025 WL 2513588, at *4 (D. Colo. Sept. 2, 2025)
- Park Rise Homeowners Ass'n v. HDI Glob. Specialty SE, No. 19-cv-01268-DME-NRN, 2021 WL 9956621, at *4 (D. Colo. June 2, 2021)
- Matter of Murphy's Est., 226 Kan. 424, 427, 601 P.2d 1096, 1099 (1979)
- Wood v. Hatcher, 199 Kan. 238, 241, 428 P.2d 799 (1967)

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