

COURT RULES BENEFIT CLAIM TIME BARRED

Hodgson Russ Employee Benefits Newsletter May 31, 2019

The U.S. Court of Appeals for the Second Circuit upheld a district court's determination that a plaintiff's action was time barred under a benefit plan's applicable statute of limitations. In this case, a plan participant suffering from chronic motions sickness had been receiving long term disability benefits under a group long term disability plan. Although the participant initially received benefits, the plan subsequently determined that she was no longer eligible for continuing benefits. The plaintiff appealed the benefit denial. However, the district court determined that the action was time barred because it was filed after the limitation period set forth in the plan document. The Second Circuit upheld the district's court's determination, holding that the plan's statute of limitation provision applied to both the initial claim and subsequent claim for benefits. Although ERISA's benefit claim provision does not specify a statute of limitations, the Supreme Court has held that such actions are time barred if they are filed after the statute of limitations in a plan document, so long as the plan's required time period is reasonable. This case highlights the importance of including a reasonable statute of limitations provision in benefit plan documents. Arkun v. Unum Grp. (2nd Cir. 2019)

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