

# PROPOSED CLASS ACTION LITIGATION BLOCKED BY MANDATORY ARBITRATION AGREEMENT

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In a recent district court case out of the United States District Court for the Middle District of Florida, a former employee attempted to sue his former employer as part of a class action alleging the employer failed to provide adequate Consolidated Omnibus Budget Reconciliation Act (COBRA) Notices. The former employee alleges on behalf of himself and other similarly situated individuals that the employer failed to properly provide lawful notice of his ability to continue coverage under COBRA because the information provided was incomplete and was provided in a confusing, “piece-meal” manner. The court, however, granted the employer’s motion to dismiss the action and compel arbitration based on an arbitration agreement signed by the former employee when he was initially hired. This decision follows another [recent decision](#) enforcing the terms of a mandatory arbitration provision in the context of an employee benefit plan. Although avoiding a proposed class action lawsuit is a significant victory for the plan and employer, there are a number of questions as to how these provisions would affect the ERISA claims procedure process and the deference afforded to plan administrators’ decisions who follow those procedures. *Grant v. JP Morgan Chase & Co.* (M.D. Fla. 2019)

## **Attorneys**

Peter Bradley  
Michael Flanagan  
Richard Kaiser  
Ryan Murphy  
Amy Walters

## **Practices & Industries**

Employee Benefits