

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

TAMI GALLUPE,

Plaintiff,

v.

SEDGWICK CLAIMS
MANAGEMENT SERVICES INC,

Defendant.

CASE NO. C17-1775-MJP

ORDER ON DEFENDANT
MONSANTO COMPANY
EMPLOYEE BENEFITS PLAN
COMMITTEE'S MOTION TO
DISMISS

THIS MATTER comes before the Court on Defendant Monsanto Company Employee Benefits Plan Committee's Motion to Dismiss. (Dkt. No. 18.) Having reviewed the Motion, the Response (Dkt. No. 23), the Reply (Dkt. No. 26) and all related papers, the Court shall convert the Rule 12(b)(6) motion to dismiss to a Rule 56 motion for summary judgment under Rule 12(d), and shall continue the motion for ninety days to allow the parties to conduct discovery.

Background

Plaintiff seeks a determination of her rights to, and recovery of, short-term disability benefits under the Employee Retirement Income Security Act of 1974 ("ERISA"). Plaintiff is an employee of the Monsanto Company who claims she is entitled to benefits under the Monsanto

Company Disability Plan (the “Disability Plan”), which is a component of the Monsanto Company Employee Welfare Benefit Plan (the “Welfare Plan”) (collectively, the “Plans”). (See Dkt. No. 1 at ¶¶ 4.1-6.) The Monsanto Company Employee Benefits Plans Committee is the named fiduciary of the Plans, but purports to have delegated its fiduciary responsibility to adjudicate disability claims and appeals to Sedgwick Claims Management Services, Inc. (“Sedgwick”). (Id. at ¶¶ 4.8-11; Dkt. No. 18 at 2, 4.)

Around May 4, 2017, Plaintiff claims she became disabled and was unable to work from May 4 through June 18, 2017, and from July 6 through September 4, 2017. (Dkt. No. 1 at ¶¶ 4.15-17.) After her application for short-term disability benefits was denied, Plaintiff submitted an appeal to Sedgwick. (Id. at ¶¶ 4.19-21.) Around November 21, 2017, Sedgwick denied her appeal. (Id. at ¶ 4.22.)

Defendant Monsanto Company Employee Benefits Plans Committee (the “Committee”) claims it lacks the discretion to adjudicate disability claims and appeals, and now moves to dismiss the claims brought against it. (See Dkt. No. 18.)

Discussion

In general, the Court may not consider materials beyond the pleadings in ruling on a Rule 12(b)(6) motion without converting it into a Rule 56 motion for summary judgment. See Van Buskirk v. CNN, 284 F.2d 977, 980 (9th Cir. 2002). However, even where a document is not attached to the complaint, it may be incorporated by reference if “the plaintiff refers extensively to the document or the document forms the basis of the plaintiff’s claim.” U.S. v. Ritchie, 342 F.3d 903, 908 (9th Cir. 2003). “The doctrine of incorporation by reference may apply, for example, when a plaintiff’s claim about insurance coverage is based on the contents of a coverage plan, or when a plaintiff’s claim about stock fraud is based on the contents of SEC

1 filings.” Id. (citations omitted). Where authenticity is not contested, Courts routinely consider
 2 plan documents at the motion to dismiss stage in ERISA cases. See, e.g., In re Syncor ERISA
 3 Litig., 351 F. Supp. 2d 970, 977-83 (C.D. Cal. 2004); Groves v. Kaiser Found. Health Plan, Inc.,
 4 32 F. Supp. 3d 1074, 1079 n.4 (N.D. Cal. 2014); Parrino v. FHP, Inc., 146 F.3d 699, 706 (9th
 5 Cir. 1998).

6 The Committee contends that because Plaintiff’s claims derive entirely from the terms of
 7 the Plans, the Plan documents may properly be considered by the Court on its motion to dismiss
 8 under the doctrine of incorporation by reference. (Dkt. No. 18 at 4.) The Committee submits for
 9 the Court’s review copies of the Welfare Plan (Dkt. No. 18, Ex. A) and the Disability Plan (Dkt.
 10 No. 18, Ex. B).

11 Plaintiff disputes the authenticity and completeness of the Plan documents. (Dkt. No. 23
 12 at 4-5.) In particular, Plaintiff contends that: (1) the Welfare Plan and the Disability Plan
 13 “cannot be the complete Plan documents,” as neither includes the Plan’s definition of disability
 14 that was cited in the letter denying her disability benefits and her appeal; (2) the Disability Plan –
 15 the only document by which the Committee purports to delegate fiduciary duties to Sedgwick –
 16 is merely a summary plan description, and is not an “enforceable part” of the plan or a “source of
 17 the plan’s governing terms”; and (3) the Welfare Plan refers to “Insurance Contracts” between
 18 the Plan Administrator and Sedgwick – “perhaps including such salient details as the Plan
 19 Administrator’s formal delegation of its fiduciary duties and the applicable definition of
 20 ‘disability’” – but no such document is provided. (Dkt. No. 23 at 4-5.)

21 In its reply, the Committee offers a declaration authenticating the Welfare Plan and
 22 Disability Plan and confirming that these are the only operable plan documents. (Dkt. No. 26 at
 23 3; Dkt. No. 27.) The Committee contends that the Disability Plan is the only applicable plan
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1 delineating the rights as between the plan and its beneficiaries, and that “in the absence of
2 another separate plan document, the ‘Summary Plan Document’ constitutes the plan governing
3 Plaintiff’s welfare benefits. (Dkt. No. 26 at 3-4) (citation omitted). Further, the Committee
4 offers the administrative contract confirming that the Committee delegated to Sedgwick its
5 authority to determine disability claims and appeals. (Id. at 4; Dkt. No. 28, Ex. 1 at 18.)

6 While the Plan documents suggest that the Committee in fact delegated its authority to
7 determine disability claims and appeals to Sedgwick and may properly be dismissed (see
8 Anderson v. Sun Life Assur. of Canada, Inc., 647 Fed. App’x 772, 774 (9th Cir. 2016), vacated
9 on other grounds, 652 Fed. App’x 527 (9th Cir. 2016)), there remains an unresolved dispute as to
10 the authenticity and completeness of these documents. Accordingly, the Court cannot properly
11 rule on the motion to dismiss without first converting it into a Rule 56 motion for summary
12 judgment. See Fed. R. Civ. P. 12(d) (“If, on a motion under Rule 12(b)(6) or 12(c), matters
13 outside the pleadings are presented to and not excluded by the court, the motion must be treated
14 as one for summary judgment under Rule 56. All parties must be given a reasonable opportunity
15 to present all the material that is pertinent to the motion.”).

16 Conclusion

17 Because the authenticity of the Plan documents is disputed, the Court hereby converts the
18 Committee’s Rule 12(b)(6) motion to dismiss to a Rule 56 motion for summary judgment. The
19 parties shall be given an opportunity to conduct discovery and present material relevant to the
20 motion. The motion for summary judgment shall be continued for 90 days, to July 3, 2018. The
21 Committee may file an amended motion regarding its purported delegation of authority on or
22 before June 11, 2018, with the briefing schedule to be set in accordance with Local Rule 7(d)(3).
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1 The clerk is ordered to provide copies of this order to all counsel.

2 Dated April 4, 2018.

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5 Marsha J. Pechman
6 United States District Judge
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