

## Schneider, Janet M. v. Sentry Group

7th Cir. 09/07/2005

### Oral Argument Opinion

**"The notice that Sentry afforded Ms. Schneider was indefensible as a matter of statute, regulation and case law."**

Excerpt: "The notice that Sentry afforded Ms. Schneider was indefensible as a matter of statute, regulation and case law. In the first place, the April 23 letter failed to meet the requirement, contained both in § 1133(1) and in section 2560.503-1(g)(l), that the notification set forth the specific reasons for the termination of benefits. ....

Furthermore, even a cursory reading of the April 23 letter reveals that it did not identify the specific plan provision on which the denial was based, as required by section 2560.503-1(g)(ii). On the first two requirements set forth in section 2560.503-1(g), then, Sentry's notice did not permit Ms. Schneider "a sufficiently clear understanding of the administrator's position to permit effective review." Halpin, 962 F.2d at 690.

We also must consider the requirements in section 2560.503-1(g)(iii) and (iv), which mandate that the notice contain "[a] description of any additional material or information necessary for the claimant to perfect the claim" and "[a] description of the plan's review procedures and the time limits applicable to such procedures. ....

In short, the April 23 letter did not fulfill the purpose of the statute, which was to "afford the beneficiary an explanation of the denial of benefits that is adequate to ensure meaningful review of that denial." Id. at 689-90. In light of the foregoing analysis, we must conclude that Sentry's April 23 letter failed to comply substantially with the requirements of section 2560.503-1(g). Because we have determined that Sentry failed to provide Ms. Schneider with an explanation that is adequate to ensure a meaningful review of the termination of her benefits, we conclude that Ms. Schneider is entitled to summary judgment on her claim that Sentry violated ERISA, 29 U.S.C. § 1133.<sup>3</sup>"