

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

ANDREW JOHNSON,	:	
	:	
Plaintiff,	:	CIVIL ACTION
	:	
v.	:	NO. 00-CV-3708
	:	
LUCENT TECHNOLOGIES, INC. and	:	
CONNECTICUT GENERAL LIFE INSURANCE	:	
COMPANY	:	
	:	
Defendants.	:	

MEMORANDUM

BUCKWALTER, J.

May 15, 2001

Presently before this Court is a motion for summary judgment on behalf of defendant Connecticut General Life Insurance Company (“CGLIC”). Andrew Johnson (“Plaintiff”), a former employee of Lucent Technologies, Inc. (“Lucent”), brought a claim against CGLIC pursuant to the Employee Retirement Income Security Act (“ERISA”) to obtain long-term disability benefits under Lucent Technologies, Inc. Long-Term Disability Plan for Management Employees (the “Plan”). For the reasons set forth below, CGLIC’s motion for summary judgment will be granted.

I. BACKGROUND

Plaintiff, a former engineer for Lucent Technologies Inc. (“Lucent”), was diagnosed with Parkinson’s Disease, a progressive disorder of the central nervous system, in 1994. Plaintiff continued to work for Lucent for approximately three more years until October,

1997, when he stopped working and began receiving sickness disability benefits. One year later, in September, 1998, Lucent terminated Plaintiff and applied for long-term disability (“LTD”) benefits on his behalf. Plaintiff received LTD for one year, after which CGLIC reassessed his eligibility. As part of this evaluation, CGLIC conducted a transferable skills analysis report (“TSA”) which indicated that Plaintiff could perform at least eight (8) jobs for which he was qualified and those jobs paid more than fifty (50) percent of his base salary. According to the Plan, these test results rendered Plaintiff ineligible for LTD benefits.

II. LEGAL STANDARD

A motion for summary judgment shall be granted where all of the evidence demonstrates “that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law.” Fed. R. Civ. P. 56(c). A genuine issue of material fact exists when “a reasonable jury could return a verdict for the nonmoving party.” Anderson v. Liberty Lobby Inc., 477 U.S. 242, 248 (1986). “Only disputes over facts that might affect the outcome of the suit under the governing law will properly preclude the entry of summary judgment.” Id.

If the moving party establishes the absence of the genuine issue of material fact, the burden shifts to the nonmoving party to “do more than simply show that there is some metaphysical doubt as to the material facts.” Matsushita Elec. Indus. Co. v. Zenith Radio Corp., 475 U.S. 574, 586 (1986).

When considering a motion for summary judgment, a court must view all inferences in a light most favorable to the nonmoving party. See United States v. Diebold, 369

U.S. 654, 655 (1962). The nonmoving party, however, cannot “rely merely upon bare assertions, conclusory allegations or suspicions” to support its claim. Fireman’s Ins. Co. v. DeFresne, 676 F.2d 965, 969 (3d Cir. 1982). To the contrary, a mere scintilla of evidence in support of the non-moving party’s position will not suffice; there must be evidence on which a jury could reasonably find for the nonmovant. Liberty Lobby, 477 U.S. at 252. Therefore, it is plain that “Rule 56(c)” mandates the entry of summary judgment, after adequate time for discovery and upon motion, against a party who fails to make a showing sufficient to establish the existence of an element essential to that party’s case, and on which that party will bear the burden of proof at trial.” Celotex Corp. v. Catrett, 477 U.S. 317, 322 (1986). In such a situation, “[t]he moving party is ‘entitled to a judgment as a matter of law’ because the non-moving party has failed to make a sufficient showing on an essential element of her case with respect to which she has the burden of proof.” Id. at 323 (quoting Fed. R. Civ. P. 56(c)).

III. DISCUSSION

In reviewing a claim for denial of disability benefits under ERISA, the Supreme Court held in Firestone Tire & Rubber Co. v. Bruch, 489 U.S. 101, 115 (1989) that:

a denial of benefits challenged under § 1132(a)(1)(B) [which governs the validity of a claim for benefits under an ERISA plan] is to be reviewed under a *de novo* standard unless the benefit plan gives the administrator or fiduciary discretionary authority to determine eligibility for benefits or to construe the terms of the plan.

The Third Circuit subsequently held that where *de novo* review is inappropriate, an arbitrary and capricious standard should be applied in evaluating a claim against a plan administrator for denial of benefits. See, e.g., Stoetzner v. United States Steel Corp., 897 F.2d 115, 119 (3d Cir. 1990). This circuit has defined “arbitrary and capricious” as “without reason,

unsupported by substantial evidence or erroneous as a matter of law.”¹ Pinto v. Reliance Standard Life Insurance Co., 214 F.3d 377, 392 (3d Cir. 2000).

The Court believes, and the parties appear to agree, that arbitrary and capricious is the appropriate standard in this case. Therefore, the issue here is how CGLIC’s decision fares under this standard. Plaintiff challenges CGLIC’s determinations essentially on two grounds. First, Plaintiff highlights the apparent inconsistency in CGLIC’s finding that Plaintiff was disabled from October 1997 to September 1998, the first year of Plaintiff’s LTD benefits, but was no longer disabled after September 1998. This argument reveals Plaintiff’s unfamiliarity with the Plan, because the requirements for obtaining disability benefits change after the first year. In the first year, an individual may be eligible for LTD if he is unable to perform all the duties of *his* job. See Def. Exhibit A at 4. After receiving benefits for the first year, Plaintiff becomes eligible for continued LTD only if he is unable to work for *any* employer in a position that pays less than fifty (50) percent of his previous annual base salary. *Id.* This progression in the eligibility criteria explains the reason for Plaintiff’s change in status and the apparent inconsistency. In light of this explanation, the Court disagrees with Plaintiff’s argument here that CGLIC’s decision was arbitrary and capricious.

Second, Plaintiff contends that the TSA list is flawed because it suggests that Plaintiff can perform several jobs without accommodation. However, the Court is not persuaded by this argument. CGLIC claims that these accommodations are included as part of the medical history used in generating the TSA list. Moreover, Plaintiff admits in his deposition that he is

¹ If Plaintiff were contesting the interpretation of the Plan rather than the basis for CGLIC’s decision, then the Court would have applied a five-prong test that the Third Circuit has used to gauge whether the actions of a claims administrator were arbitrary and capricious. See Moench v. Robertson, 62 F.3d 553, 566 (3d Cir. 1995).

capable of performing at least several of the jobs identified on the TSA list without accommodation. For these reasons, the Court finds that CGLIC's decision to deny eligibility is reasonable and survives review under the arbitrary and capricious standard.

IV. CONCLUSION

For the foregoing reasons, the Court finds that CGLIC's decision to deny Plaintiff long-term disability benefits after his first year of eligibility is grounded in reasonable evidence and is not arbitrary and capricious. Therefore, CGLIC's motion for summary judgment is granted.

An order follows.

