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Metropolitan Life Insurance Company

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8 **UNITED STATES DISTRICT COURT**
9 **EASTERN DISTRICT OF CALIFORNIA**

10
11 ROXANNE HAZEL

12 Plaintiff,

13 v.

14 METROPOLITAN LIFE INSURANCE
COMPANY; and DOES 1 through 10,
15 Inclusive,

16 Defendant.

Case No. 2:23-cv-00338-TLN-DB

Honorable Troy L. Nunley

**DEFENDANT METROPOLITAN
LIFE INSURANCE COMPANY'S
ANSWER TO PLAINTIFF'S
COMPLAINT**

Complaint Filed: February 23, 2023

1 Defendant Metropolitan Life Insurance Company (“MetLife”) in response to
2 the allegations of Plaintiff Roxanne Hazel’s (“Plaintiff”) Complaint on file herein,
3 admits, denies, and alleges as follows:

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5 **JURISDICTION AND VENUE**

6 1. MetLife admits the allegations of paragraph 1 for jurisdictional
7 purposes only and expressly denies that Plaintiff is entitled to the relief sought in the
8 Complaint.

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10 2. MetLife admits the allegations of paragraph 2 for venue purposes only.

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12 **THE PARTIES**

13 3. Referring to the allegations of paragraph 3, MetLife admits that
14 Plaintiff was an employee of Crawford & Company (“Crawford”) and that, as a
15 benefit of her employment, she was a participant in the Crawford & Company
16 Welfare Plan (“Plan”) established by Crawford. MetLife further admits that the Plan
17 is governed by the Employee Retirement Income Security Act of 1974, as amended
18 (“ERISA”), 29 U.S.C. §§ 1001, *et seq.* Except as so specifically admitted, MetLife
19 denies the allegations contained therein.

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21 4. Referring to the allegations of paragraph 4, MetLife admits that it
22 issued the group policy of insurance (no. 93550-G) that funded the short-term
23 disability (“STD”) benefits of the Plan and further admits that, during the relevant
24 period, MetLife is and was the claims administrator for STD benefits under the Plan.
25 Except as so specifically admitted, MetLife denies the allegations contained therein.

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27 5. Referring to the allegations of paragraph 5, MetLife is without
28 sufficient information to either admit or deny the allegations of this paragraph and

1 on that basis denied the allegations contained therein.

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3 **FACTUAL BACKGROUND**

4 6. Referring to the allegations of paragraph 6, MetLife admits that
5 Plaintiff submitted a claim for STD benefits under the Plan claiming to be disabled
6 as of April 21, 2022, and further admits that it approved and paid Plaintiff STD
7 benefits for the Maximum Benefit Period from May 6, 2022 (the first date the 14
8 day Elimination Period was met) through October 20, 2022, subject to the terms and
9 conditions of the Plan, including the Other Income and Overpayment for Disability
10 Income Insurance provisions. Except as so specifically admitted, MetLife denies the
11 allegations contained therein.

12 7. Referring to the allegations of paragraph 7, MetLife admits that
13 Plaintiff received state disability benefits for the same period that she received STD
14 benefits under the Plan in the amount of \$1,263.00 per week, totaling \$10,104.00 for
15 the period May 6, 2022 through July 10, 2022. MetLife further admits that pursuant
16 to the Other Income provisions of the Plan, Plaintiff's monthly STD benefit was to
17 be reduced by the amount received from state disability for this same period.
18 MetLife further admits that by letters dated May 16, 2022 and May 25, 2022, it
19 expressly advised Plaintiff to inform MetLife if she had applied for and received
20 state disability benefits, and further advised that her receipt of such benefits would
21 reduce her monthly STD benefit under the terms of the Plan and could also result in
22 an overpayment that Plaintiff would be required to repay to MetLife pursuant to the
23 terms and provisions of the Plan. However, because Plaintiff did not advise MetLife
24 of her receipt of state disability benefits until August of 2022, MetLife did not offset
25 Plaintiff's state disability from the STD benefits paid for the period May 6, 2022
26 through July 10, 2022. MetLife further admits that by letter dated January 9, 2023,
27 MetLife requested that Plaintiff reimburse it in the amount of \$8,849.76 (which
28 amount accounted for the over-withholding of FICA taxes on the benefits paid for

1 that period and required a signed FICA waiver form) or the gross amount due of
2 \$9,582.00 if she did not want to sign the FICA waiver necessary for MetLife to credit
3 the overpayment of taxes. Finally, MetLife alleges that the Plan documents
4 regarding Other Income offsets and the parties' respective rights and obligations
5 regarding any overpayments speak for themselves and not otherwise. Except as so
6 specifically admitted and alleged, MetLife denies the allegations contained therein.

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8 8. Referring to the allegations of paragraph 8, MetLife admits that it sent
9 a letter to Plaintiff dated January 9, 2023, asking, among other things, that Plaintiff
10 reimburse it in the amount of \$8,849.76 (which amount accounted for the over-
11 withholding of FICA taxes on the benefits paid for that period and required a signed
12 FICA waiver form) or the gross amount due of \$9,582.00 if she did not want to sign
13 the FICA waiver necessary for MetLife to credit the overpayment of taxes. MetLife
14 alleges that its January 9, 2023 letter speaks for itself and not otherwise. Except as
15 so specifically admitted and alleged, MetLife denies the allegations contained
16 therein.

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18 9. Referring to the allegations of paragraph 9, MetLife admits that it sent
19 a letter to Plaintiff dated January 9, 2023, asking, among other things, that Plaintiff
20 reimburse it in the amount of \$8,849.76 (which amount accounted for the over-
21 withholding of FICA taxes on the benefits paid for that period and required a signed
22 FICA waiver form) or the gross amount due of \$9,582.00 if she did not want to sign
23 the FICA waiver necessary for MetLife to credit the overpayment of taxes. MetLife
24 alleges that its January 9, 2023 letter speaks for itself and not otherwise. Except as
25 so specifically admitted and alleged, MetLife denies the allegations contained
26 therein.

1 response to paragraphs 1 through 15 of this Answer as though fully set forth herein.

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3 17. Referring to the allegations of paragraph 17, this paragraph sets forth
4 legal conclusions to which no response is required. To the extent a response is
5 required, MetLife denies that Plaintiff is entitled to any of the relief sought by way
6 of the Complaint or under ERISA.

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8 18. Referring to the allegations of paragraph 18, MetLife admits that the
9 Plan is governed by ERISA and further admits that the Plan documents speak for
10 themselves and not otherwise with respect to the parties' respective rights and
11 obligations regarding offsets and the recovery of overpayments. MetLife denies any
12 allegations that are inconsistent with or misrepresent the Plan's terms. MetLife also
13 alleges that *Bilyeu v. Morgan Stanley Long Term Disability Plan*, 683 F.3d 1083
14 (9th Cir. 2012), and *Wong v. Aetna Life Ins. Co.*, 51 F. Supp. 3d 951 (S.D. Cal. 2014)
15 do not govern this dispute because, among other things, MetLife did not file an
16 action under ERISA seeking an equitable lien as to the overpayment. Except as so
17 specifically admitted and alleged, MetLife denies the allegations contained therein.

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19 19. Referring to the allegations of paragraph 19, this paragraph sets forth
20 legal conclusions to which no response is required. To the extent a response is
21 required, MetLife denies that Plaintiff is entitled to the relief sought by way of the
22 Complaint.

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24 20. Referring to the allegations of paragraph 20, this paragraph sets forth
25 legal conclusions to which no response is required. To the extent a response is
26 required, MetLife alleges that *Bilyeu* and *Wong* do not govern this dispute because,
27 among other things, MetLife did not file an action under ERISA seeking an equitable
28 lien as to the overpayment. MetLife further denies that Plaintiff is entitled to the

1 relief sought by way of the Complaint.

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3 21. Referring to the allegations of paragraph 21, to the extent this paragraph
4 sets forth legal conclusions, no response is required. To the extent a response is
5 required, MetLife alleges that *Bilyeu* and *Wong* do not govern this dispute because,
6 among other things, MetLife did not file an action under ERISA seeking an equitable
7 lien as to the overpayment. Finally, MetLife alleges that the Plan documents speak
8 for themselves and not otherwise with respect to the parties' respective rights and
9 obligations regarding offsets and the recovery of overpayments. MetLife further
10 denies that Plaintiff is entitled to the relief sought by way of the Complaint.

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12 22. Referring to the allegations of paragraph 22, to the extent this paragraph
13 sets forth legal conclusions, no response is required. To the extent a response is
14 required, MetLife alleges that *Bilyeu* and *Wong* do not govern this dispute because,
15 among other things, MetLife did not file an action under ERISA seeking an equitable
16 lien as to the overpayment. Finally, MetLife alleges that the Plan documents speak
17 for themselves and not otherwise with respect to the parties' respective rights and
18 obligations regarding offsets and the recovery of overpayments. MetLife further
19 denies that Plaintiff is entitled to the relief sought by way of the Complaint.

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21 23. Referring to the allegations of paragraph 23, denied.

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23 24. Referring to the allegations of paragraph 24, denied.

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25 25. Referring to the allegations of paragraph 25, this paragraph sets forth
26 legal conclusions to which no response is required. To the extent a response is
27 required, MetLife denies that Plaintiff is entitled to the relief sought by way of the
28 Complaint.

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FIRST DEFENSE

(Failure to State a Claim for Relief)

1. As a first, separate defense to all claims for relief alleged in the Complaint, MetLife alleges that the Complaint fails to state a claim upon which relief can be granted.

SECOND DEFENSE

(Failure to Perform)

2. As a second, separate defense to all claims for relief alleged in the Complaint, MetLife alleges that Plaintiff failed to meet or perform all necessary covenants, conditions and promises required by her to be performed in accordance with the terms and conditions of the Plan.

THIRD DEFENSE

(Failure to Mitigate)

3. As a third, separate defense to all claims for relief alleged in the Complaint, MetLife alleges that Plaintiff has failed, refused and/or neglected to take reasonable, necessary, or any steps whatsoever to mitigate any damages allegedly incurred as a result of MetLife’s alleged conduct.

FOURTH DEFENSE

(Requirements for Attorneys’ Fees Not Met)

4. As a fourth, separate defense to all claims for relief alleged in the Complaint, MetLife alleges that Plaintiff’s claims do not meet the requirements as set forth in *Hummell v. Rykoff*, 634 F.2d 446 (9th Cir. 1980); therefore, Plaintiff is not entitled to recovery of attorneys’ fees against MetLife.

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FIFTH DEFENSE

(Defendant’s Actions Were in Accordance With the Plan)

5. As a fifth, separate defense to all claims for relief alleged in the Complaint, MetLife alleges that its actions were made in the interest of all Plan participants and beneficiaries and in accordance with the terms and conditions of the Plan.

SIXTH DEFENSE

(Alleged Liability Subject to Terms of the Plan)

6. As an sixth, separate defense to all claims for relief alleged in the Complaint, MetLife alleges that any liability of Metlife, which is denied, is subject to the terms, conditions, limitations, endorsements and exclusions of the applicable Plan documents.

SEVENTH DEFENSE

(Waiver)

7. As a seventh, separate defense to all claims for relief alleged in the Complaint, MetLife alleges that Plaintiff has waived her right, if any, to the relief requested in the Complaint.

EIGHTH DEFENSE

(Estoppel)

8. As an eighth, separate defense to all claims for relief alleged in the Complaint, MetLife alleges that it has fully performed its fiduciary duties under the Plan and ERISA, and Plaintiff is estopped from asserting any cause of action against MetLife.

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WHEREFORE, MetLife prays for judgment as follows:

1. That Plaintiff be granted no relief in this action;
2. That judgment be entered against Plaintiff and in favor of MetLife;
3. For costs of suit incurred herein, including such reasonable attorneys' fees as may be allowed by case or statutory authorities and/or agreement of the parties; and
4. For such other and further relief as this Court may deem just and proper.

Dated: April 26, 2023

MAYNARD NEXSEN LLP

By /s/ Misty A. Murray
MISTY A. MURRAY
CHARLES K. CHINEDUH
Attorneys for Defendant
Metropolitan Life Insurance
Company

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CERTIFICATE OF SERVICE

Roxanne Hazel v. Metropolitan Life Insurance Company, et al.

Case No. 2:23-cv-00338-DB

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am a citizen of the United States and employed in Los Angeles, California, at the office of a member of the bar of this Court at whose direction this service was made. I am over the age of 18 and not a party to the within actions; my business address is 10100 Santa Monica Boulevard, Suite 550, Los Angeles, CA 90067.

On, **April 26, 2023** I served the document(s) entitled, **DEFENDANT METROPOLITAN LIFE INSURANCE COMPANY'S ANSWER TO PLAINTIFF'S COMPLAINT** on the interested parties in this action by placing true copies thereof enclosed in a sealed envelope(s) addressed as stated below:

SEE ATTACHED SERVICE LIST

(BY CM/ECF SERVICE): I caused such document(s) to be delivered electronically via CM/ECF as noted herein.

I declare under penalty of perjury under the laws of the United States that the above is true and correct and was executed on April 26, 2023, at Los Angeles, California.



Lea Borys

SERVICE LIST

Roxanne Hazel v. Metropolitan Life Insurance Company, et al.

Case No. 2:23-cv-00338-DB

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