

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

ADVANCED PHYSICAL MEDICINE )  
OF YORKVILLE, LTD., an Illinois medical )  
corporation, )  
Plaintiff, )

Case No.: 1:22-CV-02982

vs. )

CIGNA HEALTH AND LIFE INSURANCE )  
COMPANY, a Pennsylvania Corporation, and )  
RITCHIE BROS. AUCTIONEERS (AMERICA), )  
INC., a Nebraska Corporation, )  
Defendant. )

**COMPLAINT**

NOW COMES the Plaintiff, ADVANCED PHYSICAL MEDICINE OF YORKVILLE, LTD., by and through its attorneys, LAW OFFICES OF MCLAUGHLIN & ASSOCIATES, P.C., and for its Complaint against CIGNA HEALTH AND LIFE INSURANCE COMPANY, INC., a Connecticut Corporation, and RITCIE BROS. AUCTIONEERS (AMERICA), INC., a Nebraska Corporation, states as follows:

**Nature of the Action**

1. This action is brought under provisions of the Employee Retirement Income Security Act (ERISA) to recover benefits due under the terms of a health benefits plan under 29 U.S.C. § 1132(a)(1)(B) and for statutory penalties pursuant to 29 U.S.C. § 1132(a)(1)(A), as defined in 29 U.S.C. § 1132(c)(1), modified by 29 C.F.R. § 2575.502c-1.

2. Plaintiff treated patient Robert Slavin (“Patient”) with chiropractic manipulative treatments and therapeutic exercises, defined further below (“the Services”) between the dates of January 22, 2021 and March 1, 2021. The Services are covered under Patient’s health benefits

plan, Cigna Plan No. xxxx2807 (“the Plan”). The Plan is a group health benefits plan subject to ERISA.

3. Plaintiff is the assignee of benefits for health care services Plaintiff provided to Patient and Patient’s designated authorized representative. Patient has conveyed to Plaintiff all rights to pursue recovery of benefits due under the Plan for the Services and to bring derivative actions on his behalf to recover such benefits and to pursue any other available remedies under the law. This assignment was in effect during all times relevant to this Complaint. A true and correct of the Patient Consent and Legal Assignment of Benefits dated January 22, 2021 is attached as Exhibit “A.”

4. Count I of this action is brought to recover health benefits due to Plaintiff under the Plan for claims that Defendant arbitrarily and capriciously denied. Count II of this action is brought to collect statutory penalties against Defendant for Defendant’s failure to provide Plaintiff with certain Plan documents requested by Plaintiff.

#### **Parties**

5. Plaintiff, Advanced Physical Medicine of Yorkville, Ltd. is an Illinois medical corporation with its principal place of business located at 207 Hillcrest Avenue, Suite A, Yorkville, Kendall County, Illinois 60560. Plaintiff provided chiropractic and other medical treatment to Patient under the Plan as set forth herein.

6. Defendant, CIGNA HEALTH AND LIFE INSURANCE COMPANY (“CHLIC”), the Plan Provider for the Plan, is a Connecticut corporation with its principal place of business located at 900 Cottage Grove Road, Bloomfield, CT 06002. Upon information and belief, CHLIC retained fiduciary responsibilities under the Plan to pay claims under the Plan, including those of Patient’s.

7. Defendant RITCHIE BROS. AUCTIONEERS (AMERICA), INC. (“Ritchie Bros.”), the Plan Administrator for the Plan, is a Nebraska corporation, licensed to transact business in the State of Illinois, with its principal place of business located at 4000 Pine Lake Road, Lincoln, NE 68516, and its and its Illinois registered agent located at 801 Adlai Stevenson Drive, Springfield, IL 62703. Upon information and belief, Ritchie Bros. had fiduciary responsibilities under the Plan to administrator and make proper determinations under the Plan for payment of claims, including those of Patient’s.

8. Patient resides in Yorkville, Kendall County, Illinois.

### **Jurisdiction and Venue**

9. This Court has subject matter jurisdiction under 28 U.S.C. § 1331 for all claims asserted in this Complaint. All claims in this complaint pose questions of federal law arising under provisions of ERISA. Additionally, 29 U.S.C. § 1132(e)(1) grants the U.S. district courts exclusive jurisdiction of claims brought under 29 U.S.C. § 1132(a)(1)(A) and concurrent jurisdiction for claims brought under 29 U.S.C. § 1132(a)(1)(B).

10. This Court has personal jurisdiction over Defendants because as Plan Administrator and Plan Provider, Defendants administered and were responsible for providing benefits under Patient’s Plan in the Northern District of Illinois and denied claims under the Plan’s coverage for services rendered in the Northern District of Illinois.

11. Venue is proper in the Northern District of Illinois under 28 U.S.C. § 1391(b)(2) as a substantial part of the events giving rise to these claims occurred in this district and under 29 U.S.C. § 1132(e)(2) as the district in which the health benefits plan was administered.

**Common Facts**

12. Plaintiff submitted approval to CHLIC for the Services for Patient, which included 17 office visits/chiropractic manipulative adjustments and therapeutic exercise services, between January 22, 2021 and March 1, 2021. The Services were covered under the Plan. As Patient's authorized representative, Plaintiff submitted claims to CHLIC on Patient's behalf for the Services.

13. CHLIC agreed to pay for the Services, but at an incorrect and discounted amount. A true and correct copy of the denial is summarized on Exhibit "B." Ritchie Bros. did not pay the denied Services following CHLIC's denial of Services.

14. On July 26, 2021, as Patient's authorized representative, Plaintiff submitted its first appeal of the denied Services for service dates January 22, 2021 through March 1, 2021, on the grounds that "we called and verified the insurance benefits for this member in January, we were told by 3 different representatives that the OON allowables are set at 200% Medicare. All of these claims had allowable amounts below that rate." Plaintiff's appeal included a request for Patient's SPD, a reviewing physician's report, and all pertinent information related to the denial of Services. A true and correct copy of the July 26, 2021 appeal is attached as Exhibit "C."

15. No response was received from CHLIC in regards to Plaintiff's first appeal.

16. On September 16, 2021, as Patient's authorized representative, Plaintiff submitted a second appeal of the claim denials for the Services to CHLIC. A true and correct copy of the September 16, 2021 appeal is attached as Exhibit "D."

17. On October 18, 2021, CHLIC responded to the second appeal, including a copy of Patient's SPD but nothing else. A true and correct copy of said denial is attached as Exhibit "E." Ritchie Bros. did not pay the denied Services following CHLIC's denial of Services.

18. On November 4, 2021, as Patient's authorized representative, Plaintiff submitted a third appeal of the claim denials for the Services to CHLIC, with an outstanding balance for Services provided under the Plan of \$8,147.92. This appeal included all previously provided medical records and appeals, as referenced in "Enclosures, 2. Previously submitted requests and appeals." A true and correct copy of the November 4, 2021 appeal is attached as Exhibit "F."

19. To date, CHLIC has not responded to the third appeal. Ritchie Bros. has continued to fail to pay the denied Services.

20. To date, Plaintiff's the claims for Services of \$8,147.92 remain unpaid.

**Count I: Recovery of Benefits Due Under Plan Pursuant to 29 U.S.C. § 1132(a)(1)(B)**

1-20. Plaintiff realleges paragraphs 1-20 as though fully set forth herein.

21. Plaintiff brings Count I under 29 U.S.C. § 1132(a)(1)(B) to recover benefits due Plaintiff under Patient's Plan that CHLIC arbitrarily and capriciously denied.

22. Plaintiff has exhausted its administrative remedies regarding the disputed denials of benefits for the Services under 29 C.F.R. § 2560.503-1(i)(1). CHLIC failed to follow procedures consistent with a full and fair review of Plaintiff's appeal as required by 29 U.S.C. § 1133(2) and defined under 29 C.F.R. § 2560.503-1.

23. CHLIC failed to provide the specific reason or reasons for denial and the specific reference to pertinent plan provisions on which the denial was based, or to the extent CHLIC provided a reason, it was not rationally based on a review of the medical records provided to it.

24. CHLIC did not provide Plaintiff with the reviewing physician's report or any communication relevant to the Patient's adverse benefit determination upon written request as required by 29 U.S.C. 1024(b)(4) and 29 CFR 2560.503-1(i)(5).

# Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

## Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

## Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

## Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

## API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

## LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

## FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

## E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.