

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF LOUISIANA

HMO LOUISIANA INC., ET AL.

CIVIL ACTION

VERSUS

NO. 21-522

NARINDER M. GUPTA

SECTION “R” (1)

**ORDER AND REASONS**

Plaintiff, Louisiana Health Service and Indemnity Company and HMO Louisiana, d/b/a Blue Cross and Blue Shield of Louisiana (“BCBSLA”), moves to remand this matter to state court.<sup>1</sup> Defendant, Narinder M. Gupta, M.D., opposes the motion to remand,<sup>2</sup> and separately moves for leave to conduct jurisdictional discovery.<sup>3</sup> Because the Court finds that neither ERISA nor FEHBA completely preempts BCBSLA’s claims, and because the discovery defendant seeks would not affect the result, the Court grants BCBSLA’s motion to remand, and denies defendant’s motion for jurisdictional discovery.

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<sup>1</sup> R. Doc. 7.

<sup>2</sup> R. Doc. 10.

<sup>3</sup> R. Doc. 12

## I. BACKGROUND

This case arises from Dr. Gupta's allegedly improper billing practices for medical services he performed. BCBSLA alleges that Louisiana Health Service & Indemnity Company is a non-profit mutual insurance company, and that HMO Louisiana is a health maintenance organization ("HMO").<sup>4</sup> Plaintiff alleges that Dr. Gupta, a medical service provider entered into a "Physician Agreement" with BCBSLA.<sup>5</sup> Among other terms, plaintiff contends that Dr. Gupta agreed to comply with certain record-keeping procedures, provide only "medically necessary" services to patients, and refund BCBSLA for any payments based on erroneous or incomplete information, or for services that were not "medically necessary."<sup>6</sup>

On August 25, 2017 and December 13, 2017, BCBSLA allegedly performed an audit on Dr. Gupta's facility.<sup>7</sup> Plaintiff states that it identified numerous issues with Dr. Gupta's practices, including that his records were inadequate, and that he rendered services that were not "medically necessary."<sup>8</sup> Accordingly, on August 15, 2018, pursuant to a provision in the Physician Agreement, BCBSLA alleges that it sent Dr. Gupta a written

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<sup>4</sup> R. Doc. 1-1 at 2, ¶ 1.

<sup>5</sup> *Id.* at 2-3, ¶¶ 2-3, 5.

<sup>6</sup> *Id.* at 3, ¶ 6.

<sup>7</sup> *Id.* at 4, ¶ 9.

<sup>8</sup> *Id.* at 4-5, ¶¶ 10-11.

recoupment request, seeking a refund for overpayments totaling \$240,222.31.<sup>9</sup> Dr. Gupta allegedly failed to appeal the request within the time allowed under the Physician Agreement.<sup>10</sup> Nevertheless, plaintiff states that Dr. Gupta has failed to tender the full amount owed.<sup>11</sup> Specifically, plaintiff alleges that \$226,562.62 remains unpaid.<sup>12</sup>

On January 15, 2021, BCBSLA filed suit in Louisiana state court, asserting claims for: (1) breach of contract,<sup>13</sup> (2) violation of La. Rev. Stat. § 22:1838,<sup>14</sup> (3) detrimental reliance,<sup>15</sup> (4) unjust enrichment,<sup>16</sup> and (5) declaratory relief.<sup>17</sup> On March 12, 2021, Dr. Gupta removed to federal court, contending that the Employer Retirement Income Security Act of 1974 (“ERISA”), 29 U.S.C. § 1001, *et seq.*, and the Federal Employees Health Benefits Act (“FEHBA”), 5 U.S.C. § 8901, *et seq.*, completely preempt plaintiff’s claims.<sup>18</sup> Defendant argues that, under ERISA complete

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<sup>9</sup> *Id.* at 5, ¶ 12.

<sup>10</sup> *Id.* at ¶ 17.

<sup>11</sup> *Id.* at 5-6, ¶¶ 19-20.

<sup>12</sup> *Id.* at 6, ¶ 20.

<sup>13</sup> *Id.* at 6, ¶¶ 21-26.

<sup>14</sup> *Id.* at 6-7, ¶¶ 27-32.

<sup>15</sup> *Id.* at 7, ¶¶ 33-37.

<sup>16</sup> *Id.* at 7-8, ¶¶ 38-39.

<sup>17</sup> *Id.* at 8, ¶¶ 40-41.

<sup>18</sup> R. Doc. 1 at 3-4, ¶¶ 8-9.

preemption doctrine, the Court has federal question jurisdiction under 28 U.S.C. § 1331.

Plaintiff moves to remand on the grounds that neither ERISA nor FEHBA completely preempts its claims, and that the Court therefore lacks jurisdiction.<sup>19</sup> Defendant opposes the motion,<sup>20</sup> and seeks jurisdictional discovery to determine whether plaintiff's claims involve benefit plans covered by ERISA or FEHBA.<sup>21</sup> The Court considers the parties' arguments below.

## II. LEGAL STANDARD

A defendant may generally remove a civil action filed in state court if the federal court has original jurisdiction over the action. *See* 28 U.S.C. § 1441(a). The removing party bears the burden of showing that federal jurisdiction exists. *See Allen v. R & H Oil & Gas Co.*, 63 F.3d 1326, 1335 (5th Cir. 1995). Federal district courts have original jurisdiction over cases “arising under the Constitution, laws, or treaties of the United States.” 28 U.S.C. § 1331.

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<sup>19</sup> R. Doc. 7.

<sup>20</sup> R. Doc. 10.

<sup>21</sup> R. Doc. 12.

Whether a claim arises under federal law must be determined by referring to the “well-pleaded complaint.” *Merrell Dow Pharm., Inc. v. Thompson*, 478 U.S. 804, 808 (1986) (citing *Franchise Tax Bd. v. Constr. Laborers Vacation Trust*, 463 U.S. 1, 9-10 (1983)); see also *Howery v. Allstate Ins. Co.*, 243 F.3d 912, 916 (5th Cir. 2001). Under the well-pleaded complaint rule, the federal question must appear on the face of the complaint. See *Torres v. Southern Peru Copper Corp.*, 113 F.3d 540, 542 (5th Cir. 1997). Because a defendant may remove a case to federal court only if the plaintiff could have brought the action in federal court from the outset, “the question of removal jurisdiction must also be determined by reference to the ‘well-pleaded complaint.’” *Merrell Dow*, 478 U.S. at 808 (citation omitted). “[A] defendant may not remove a case to federal court unless the plaintiff’s complaint establishes that the case ‘arises under’ federal law.” *Franchise Tax Bd.*, 463 U.S. at 10 (emphasis in original). The mere presence of “[a] defense that raises a federal question is inadequate to confer federal jurisdiction.” *Merrell Dow*, 478 U.S. at 808 (citing *Louisville & Nashville R. Co. v. Mottley*, 211 U.S. 149 (1908)); *Franchise Tax Bd.*, 463 U.S. at 12, 13-14. Therefore, federal question jurisdiction does not exist unless the “vindication of a right under state law necessarily turn[s] on some construction of federal law.” *Merrell Dow*, 478 U.S. at 809.

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