

THE
NATIONAL LAW REVIEW

ERISA's Duty To Inform - Distinguishing Between Existing and Possible Benefits

Monday, May 14, 2018

A recent ERISA opinion gives us occasion to point out the important distinction under ERISA concerning fiduciary duties as they pertain to existing benefits and possible benefits. In this case, the plaintiff alleged that defendants misrepresented to her that her retirement benefit plan would not change or would only change to her advantage after the residency program that she participated in was terminated, and that she relied on that misrepresentation in suspending her search for a new job. On reconsideration of its prior ruling, the district court realized that it had misapplied Third Circuit precedent as it pertains to the duty to inform. It thus reversed course and ruled that while plan fiduciaries have an affirmative duty to ensure that participants inquiring about *existing* benefits receive relevant information, they do not have a duty to inform participants inquiring about *future* benefits of possible changes to the plan unless they are under serious consideration at the time of the inquiry.

Because there was no evidence that plaintiff was misinformed about *existing* benefits at any time, or that changes to future benefits were under serious consideration at the time the inquiries were made, they were not material misrepresentations, and the court granted summary judgment dismissing the case. The case is *Kovarikova v. Wellspan Good Samaritan Hospital*, No. 1:15-CV-2218, 2018 WL 2095700 (M.D. Pa. May 7, 2018).

© 2019 Proskauer Rose LLP.

Source URL: <https://www.natlawreview.com/article/erisa-s-duty-to-inform-distinguishing-between-existing-and-possible-benefits>



Article By

[Benjamin O Flaxenburg](#)

[Proskauer Rose LLP](#)

[Employee Benefits & Executive](#)

[Compensation Blog](#)

[Labor & Employment](#)

[Litigation / Trial Practice](#)

[All Federal](#)

[3rd Circuit \(incl. bankruptcy\)](#)