IN THE UNITED STATES COURT OF APPEALS
FOR THE SIXTH CIRCUIT

ELINOR DASHWOOD, INDIVIDUALLY
AND ON BEHALF OF THE ESTATE OF
MARIANNE DASHWOOD AND A CLASS
OF OTHERS SIMILARLY SITUATED,
Plaintiff-Appellant

---v.---

WILLOUGHBY HEALTH CARE CO.,
WILLOUGHBY RX, AND
ABC PHARMACY, INC.,
Defendants-Appellees.

ON APPEAL FROM THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TENNESSEE
CASE NO. 25-CV-101

BRIEF FOR DEFENDANTS-APPELLEES

TEAM 4
Counsel for
Appellees

CERTIFICATE OF SERVICE

I certify that on March 6, 2026, the foregoing document was served on all parties or their counsel of record through the CM/ECF system if they are registered users or, if they are not, by placing a true and correct copy in the United States mail, postage prepaid, to their address of record.

/s/_____TEAM 4_____
Counsel for,
Defendants-Appellees

TABLE OF CONTENTS

TABLE OF AUTHORITIES

CASES

STATUTES

OTHER AUTHORITIES

JURISDICTIONAL STATEMENT

The district court had subject matter jurisdiction over this action pursuant to 29 U.S.C. § 1132(e)(1) and 28 U.S.C. § 1331 because Count II of the Amended Complaint asserted a federal question arising under the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et seq. Am. Compl. ¶ 6, at 2. The district court had supplemental jurisdiction over the state law wrongful death claim asserted in Count I pursuant to 28 U.S.C. § 1367(a), as the claim arose from a common nucleus of operative facts as the ERISA claim. Am. Compl. ¶ 7, at 2.

The district court entered an order to dismiss both counts of Elinor Dashwood's claims, on behalf of the deceased, Marianne Dashwood, with prejudice. Willoughby Health Care Co., Willoughby RX, and ABC Pharmacy Inc. filed a Motion to Dismiss Dashwood's Amended Complaint. Dist. Ct. Order, at 1. On Count I, Willoughby RX and ABC Pharmacy asserted Dashwood failed to state a claim because ERISA preempts her wrongful death action under state law. Dist. Ct. Order, at 5. On Count II, Willoughby Health Care responded to assertions of ERISA fiduciary breach claims by saying even if there was a fiduciary breach, there is no available relief under Section 502(a)(3) and the claim asserted under Count II therefore fails. Dist. Ct. Order, at 5

This Court has appellate jurisdiction pursuant to 28 U.S.C. § 1291. The district court entered a final judgment granting Appellee's motion to dismiss and

dismissing the case with prejudice. The Notice of Appeal was filed within thirty days of entry of the final judgment, as required by Federal Rules of Appellate Procedure 4(a)(1)(A).

STATEMENT OF THE ISSUES

1. Whether the district court correctly held that ERISA preempts Appellant's state law wrongful death claim where the claim challenges the administration of prescription drug benefits under an ERISA plan, seeks to impose benefit structure requirements that threaten nationally uniform plan administration, and seeks state law remedies that conflict with ERISA's civil enforcement scheme.

2. Whether the district court correctly held that Appellant failed to state a claim for relief under ERISA § 502(a)(3), 29 U.S.C. § 1132(a)(3), where Appellant sought (1) a "surcharge" measured by the decedent's lost lifetime earnings, which constitutes compensatory damages unavailable under *Mertens v. Hewitt Associates*, 508 U.S. 248 (1993), and *Aldridge v. Regions Bank*, 144 F.4th 828 (6th Cir. 2025), and (2) disgorgement of profits where Appellant failed to identify specific funds in Appellees' subject to equitable restitution.

STATEMENT OF THE CASE

A. BACKGROUND

a. The Plan and its Prescription Drug Benefit Structure

Marianne Dashwood was a participant in the Cottage Press Healthcare Plan (the "Plan"), an employee welfare benefit plan governed by the Employee Retirement Income Security Act of 1974 ("ERISA"), 29 U.S.C. § 1001 et seq. Am. Compl. ¶9, at 2. The Plan was sponsored by her employer, Cottage Press, an academic publishing company with locations in Tennessee, North Carolina, and Virginia. Dist. Ct. Op. at 2. The Plan was fully insured by Appellee Willoughby Health Insurance co. ("Willoughby Health"), which also administered benefits under the Plan and was expressly granted full discretionary authority to decide claims for benefits. Am. Compl. ¶ 11, at 3. Willoughby Health delegated authority to decide prescription drug claims to its subsidiary, Appellee Willoughby RX, a pharmacy benefit manager that developed and applied a formulary of preferred drugs. *Id*. The summary plan, described as the "governing plan document," authorized this delegation and empowered Willoughby RX to develop formulary policies and to apply them in deciding prescription drug claims. *Id*. Appellee ABC Pharmacy, a nationwide pharmacy chain with retail outlets throughout the United

States, was acquired by Willoughby RX in 2021 and operates under the corporate umbrella of Willoughby Health Care. Dist. Ct. Op. at 2–3; Am. Compl. ¶ 15, at 3.

b. Ms. Dashwood's Prescription and the Formulary Substitution Preceding Hospitalization.

In December 2024, Ms. Dashwood developed a serious infection that led to her hospitalization at Johnson City Hospital Center. Am. Compl. ¶ 17, at 4. Her medical team determined the infection was caused by a drug-resistant staph infection commonly known as MRSA and treated her with intravenous vancomycin for five days. *Id*. Upon her discharge on December 10, 2024, she was given a five-day prescription for vancomycin. *Id*.

When Ms. Dashwood's sister, Appellant Elinor Dashwood, presented the prescription to ABC Pharmacy, the pharmacy dispensed Bactrim rather than vancomycin pursuant to the Plan's formulary policy. Am. Compl. ¶ 18–19, at 4. The pharmacist informed Ms. Elinor Dashwood that the insurance company switched the prescription to Bactrim and that Bactrim was the generic form of vancomycin. Am. Compl. ¶ 19, at 4. This substitution was made pursuant to Willoughby RX's routine practice of switching prescribed medications to preferred formulary drugs without contacting the prescribing physician unless a patient or prescribing doctor expressly objected. Am. Compl. ¶ 22, at 5. The Complaint

alleged that the substitution occurred because Bactrim is less expensive than vancomycin and because Willoughby RX receives financial incentives from Bactrim's manufacturer. *Id*. The Complaint further alleged that Ms. Dashwood had a known allergy to sulfa drugs, that Bactrim is a sulfa drug, and that the substitution was made without consulting her physician. Am. Compl. ¶ 20–21, at 4–5. Ms. Dashwood allegedly suffered a severe allergic reaction after taking Bactrim and died. Am. Compl. ¶ 23, at 5.

c. The Plan-Based Nature of the Appellant's Claims

Both counts in the Complaint challenged the administration of prescription drug benefits under the Plan's formulary policy. Count I asserted a state law wrongful death claim premised on the allegation that Appellees violated a Tennessee statute prohibiting pharmacies and pharmacy benefit managers ("PBMs") from substituting drugs without a treating physician's written authorization. Am. Compl. ¶ 34–38, at 8. Count II asserted ERISA fiduciary breach claims based on the same alleged substitution of a formulary drug for the prescribed medication, contending that Appellees acted to advance their own economic interests through cost savings and manufacturer rebates. Am. Compl. ¶ 39–43, at 9–10.

B. PROCEDURAL HISTORY

Appellant filed this action on behalf of her sister's estate and as a putative class representative in 2025. On May 14, 2025, Appellant filed a First Amended Class Action Complaint asserting two counts. Am. Compl. at 11. Count I alleged wrongful death under Tennessee law against Willoughby RX and ABC Pharmacy, seeking $10 million in compensatory and punitive damages. Am. Compl. at 8, 10. Count II alleged ERISA fiduciary breach against Willoughby Health and Willoughby RX on behalf of the estate and a putative class, seeking declaratory relief, surcharge measured by losses to class members, disgorgement of profits, and attorney's fees. Am. Compl. at 8, 10. Appellees filed a joint motion to dismiss under Federal Rule of Civil Procedure 12(b)(6). Dist. Ct. Op. at 6. The motion argued that Count I was preempted by ERISA and that Count II failed to state a claim because the remedies sought were not available under ERISA § 502(a)(3), 29 U.S.C. § 1132(a)(3). *Id*.

The United States District Court for the Eastern District of Tennessee granted Appellees' motion and dismissed the case with prejudice. Dist. Ct. Op. at 15. The district court held that Count I was preempted under both ERISA § 514(a)'s express preemption provision and § 502(a)'s complete preemption doctrine because the wrongful death claim (1) challenged the administration of

prescription drug benefits under the Plan, (2) mandated a specific benefit structure in violation of national uniformity principles, and (3) sought remedies for injuries stemming from plan administration that Congress chose to exclude from ERISA. Dist. Ct. Op. at 6–11.

On Count II, the district court held that Appellant failed to plausibly allege a remediable loss under ERISA § 502(a)(3). Dist. Ct. Op. at 11–15. Following this Court's recent decision in *Aldridge v. Regions Bank*, 144 F.4th 828 (6th Cir. 2025), the district court concluded that Appellant's request for surcharge measured by the decedent's lost lifetime earnings constituted non-actionable compensatory damages, and that her alternative request for disgorgement failed because she did not seek specific identifiable funds in Appellees' possession. Dist. Ct. Op. at 14-15. Appellant filed a timely Notice of Appeal.

SUMMARY OF ARGUMENT

This Court should affirm the district court's order because both counts on appeal align with Congress' intent in ERISA administrative plans and its application across several circuits. For Count I, under 29 U.S.C. § 1144(a), ERISA's pre-emption "[will] supersede any and all State laws" that "relate to any employee benefit plan." 29 U.S.C. § 1144(a). Aligning with Congress' intent, ERISA's preemption provision has been broadly interpreted to preserve the Act's objective in maintaining a "nationally uniform plan administration." *Rutledge v. Pharm. Care Mgmt. Ass'n*, 592 U.S. 80, 87 (2020). The Supreme Court has acknowledged the statutory language of 29 U.S.C. § 1144(a) is "conspicuous for its breadth" and expansive to ensure plan administrations remain federally enforceable. *FMC Corp. V. Holiday,* 498 U.S. 52, 58 (1990); see also, *Aetna Health Inc. v. Davila*, 542 U.S. 200, 208 (2004). A state law relates to an ERISA plan if it "has a connection with or reference to such a plan." *Rutledge*, 592 U.S. at 86 (quoting *Egelhoff v. Egelhoff*, 532 U.S. 141, 147 (2001)). ERISA's preemption provision is triggered when an alternative remedy falls outside the scope of the included remedies under ERISA-regulated plans. *Aetna.*, 542 U.S. at 217 (2004) (referencing *Pilot Life v. Dedeaux*, 481 U.S. 41, 54 (1987)).

Here, Appellant's ("Appellant" or "Dashwood") wrongful death claim under Tenn. Code § 20-5-106 fails as Willoughby Health ("Appellee" or "Willoughby Health")'s discretion related to administrating medications under the Plan is inextricably linked to an ERISA related plan. Appellant's state law tort liability claim rests on grievances in medication coverage and circumstances warranting pharmaceutical substitution—policies that are governed under the Plan, thereby falling into ERISA's preemption provision. Am. Compl. ¶ 4-5. Coverage determinations and formulary-preferred alternatives are embedded within the policy that Willoughby RX ("Appellee" or "Willoughby RX") follows. Am. Compl. ¶ 5. Appellant seeks to challenge the Plan's policy administration, directly creating an alternative enforcement scheme the Court was trying to avoid in *Pilot Life Ins. Co*. 481 U.S. at 54.

Furthermore, undermining Willoughby Health's summary description plan ("SPD") would adversely impact its uniformity globally. Am. Compl. ¶ 3. Willoughby Health is a multi-national insurance company whose Plan expands into multiple states. *Id*. Similar to other health plans sponsored by employers, Willoughby RX's formulary administration is designed to maintain a set standard across multiple states. *Id.* Abandoning the uniformity of the Plan in favor of state-dependent fiduciary duties would impose a burden on ERISA related plans that Congress sought to avoid. *Egelhoff v. Egelhoff*, 532 U.S. 141, 149-50 (2001).

Additionally, Appellant's requested relief seeks compensatory damages from Marianne Dashwood's (plan participant) untimely death. Am. Compl. ¶ 10. Such relief goes beyond the scope of what ERISA authorizes under its enforcement provisions. Am. Compl. ¶ 10; *See*, 29 U.S.C. § 1132(a). The binding precedent in *Aldridge* clearly strikes claims that undermine the federal enforcement of ERISA's preemption provision. As such, Appellant's wrongful death claim under Tenn. Code § 20-5-106 does not survive; therefore, blocking relief.

Under Count II, Appellant seeks to recharacterize her claim of monetary, economic harm as an "appropriate equitable relief" to redress an assumed ERISA violation. 29 U.S.C. § 1132; Am. Compl. ¶ 10. Consistent with the district court's ruling, Appellant's claim fails as the remedy she seeks from Appellees is not a recoverable claim under ERISA's statutory language. 29 U.S.C. § 1132(a)(3); Dist. Ct. Op. ¶ 11-12. Congressional intent characterizes remedies within the phrase "equitable relief" under a narrow scope. *Aldridge v. Regions Bank*, 144 F.4th 828, 845-46 (6th Cir. 2025) ("For decades, the Supreme Court has held that Congress chose the narrower view of 'equitable relief' in § 1132(a)(3)."). Congress has made distinctions of what remedies are "equitable relief," "remedial relief," and "legal relief." *Mertens v. Hewitt Associates*, 508 U.S. 248-49 (1993). Typically, compensatory damages are recognized as "legal relief" by the Court. *Id.* at 255.

Even if Appellant claims she's entitled to a surcharge remedy due to Appellee's alleged breach in failure to discharge its duties, her argument cannot prevail. The narrow interpretation of what constitutes "equitable relief" remains unchanged. *Mertens*, 508 U.S. 248, 555; *accord*, *Great-W. Life & Annuity Ins. Co v. Knudson,* 534 U.S. 204, 221 (2002). Moreover, the burden rests on the Appellant to produce sufficient evidence to suggest that Willoughby RX and Willoughby Health breached its fiduciary duties. *Aetna Health Inc. v. Davila*, 542 U.S. 200, 216 (2004) ("[P]laintiff must prove facts beyond the bare minimum necessary' to receive exemplary damages.") (citing *Allis-Chalmers Corp. V. Lueck*, 471 U.S. 202, 217 (1985)).

Here, Appellant only alleges that the Appellee acted "disloyally and imprudently in substituting medications on its formulary" despite potential risks. Am. Compl. ¶ 9. Appellant's baseless claim is an overreach in suggesting Appellee acted in bad faith by offering the Bactrim in replacement of the vancomycin. Am. Compl. ¶ 4. The Ninth Circuit in *Bast* recognizes that incomplete claims are not entitled to granted relief. *Bast v. Prudential Ins. Co. of America,* 150 F.3d 1003 (9th Cir. 1998).

Further, Appellant cannot seek an equitable relief when there is no concrete amount being sought. Am. Compl. ¶ 10. Appellant's request for equitable relief

seeks "disgorgement of all amounts by which Willoughby Health Care and Willoughby RX profited through application of their drug switching program." Am. Compl. ¶ 10. Any amounts that lack ties to specific funds without any context or assert unspecified assets or gains do not qualify as an "appropriate equitable relief." 29 U.S.C. § 1132(a)(3); *Aldridge v. Regions Bank*, 114 F.4th 828, 846 (6th Cir. 2025) ("[T]he fiduciary must seek *specific* 'funds' in the beneficiaries' possession—not a money judgment collectable from . . . *general* assets.").

Accordingly, this Court should affirm the district court's ruling in dismissing Count I and Count II of Appellant's claims.

STANDARD OF REVIEW

This Court reviews de novo the district court's dismissal of both counts under Federal Rules of Civil Procedure 12(b)(6). *Aldridge v. Regions Bank*, 144 F.4th 828, 836 (6th Cir. 2025). De novo review means this Court applies the same standard as the district court, *Hill v. Blue Cross & Blue Shield of Mich.*, 409 F.3d 710, 716 (6th Cir. 2005), accepting all well-pleaded factual allegations as true and construing them in the light most favorable to the plaintiff, *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009). Count I was dismissed on the ground that ERISA preempts Appellant's state law wrongful death claim. Whether a state law claim is preempted by ERISA § 514(a), 29 U.S.C. § 1144(a), is a question of law reviewed de novo. *Aldridge*, 144 F.4th at 836. Count II was dismissed for failure to state a claim for relief under ERISA § 502(a)(3), 29 U.S.C. § 1132(a)(3). Whether a complaint adequately alleges entitlement to "appropriate equitable relief" under § 502(a)(3) is also a question of law reviewed de novo. *Aldridge*, 144 F.4th at 833.

ARGUMENT

I. THE DISTRICT COURT CORRECTLY HELD THAT ERISA PREEMPTS APPELLANT'S STATE LAW WRONGFUL DEATH CLAIM.

ERISA's preemption provision broadly provides that the statute, "shall supersede any and all State laws insofar as they may now or hereafter relate to any employee benefit plan." 29 U.S.C. § 1144(a). The Supreme Court has repeatedly recognized that this language is deliberately expansive and "conspicuous for its breadth." *Shaw v. Delta Air Lines, Inc.*, 463 U.S. 85, 98 (1983); *FMC Corp. v. Holliday*, 498 U.S. 52, 58 (1990). A state law "relates to" an ERISA plan if it has "a connection with or reference to such a plan." *Shaw*, 463 U.S. at 96-97. Appellants wrongful death claim meets this standard for three independent reasons. First, the claim directly challenges core benefit administration decisions, specifically formulary substitution and prior authorization procedures, that lie at the center of plan operations. Second, the claim impermissibly seeks to impose state law duties and damage remedies that would create a patchwork of conflicting obligations for multi-state plans, thereby undermining ERISA's goal of uniform plan administration. Third, this Court's recent decision in *Aldridge v. Regions Bank*, 144 F.4th 828 839–42 (6th Cir. 2025), confirms that state tort claims challenging benefit determinations are categorically preempted under ERISA's comprehensive remedial scheme.

a. Appellant's Wrongful Death Claim "Relates To" the Plan Because It Challenges Core Benefit Administration Decisions.

A state law "relates to" an ERISA plan if it has "a connection with or reference to such a plan." *Shaw v. Delta Air Lines, Inc.*, 463 U.S. 85, 96–97 (1983). This standard is satisfied when state law "governs…a central matter of plan administration" or "interferes with nationally uniform plan administration." *Egelhoff v. Egelhoff*, 532 U.S. 141, 148 (2001). The Supreme Court has made clear that preemption applies with particular force when a state law would provide an alternative enforcement mechanism to ERISA's carefully calibrated remedial scheme. *Pilot Life Ins. Co. v. Dedeaux*, 481 U.S. 41, 54 (1987). Appellant's wrongful death claim fails under each of these well-established principles.

Appellant's claim is inextricably linked with the administration of Willoughby Health's ERISA-governed prescription drug benefit plan. The claim arises from decisions about which medications the Plan covers and the circumstances under which substitutions may occur—quintessential benefit administration functions. As the Supreme Court explained in *Aetna Health Inc. v. Davila*, when both of plaintiff's claims ultimately rest on the plan administrator's refusal to approve coverage, the claims necessarily relate to the plan and are preempted. 542 U.S. 200, 213 (2004). Here, Marianne Dashwood sought coverage for her prescribed vancomycin prescription under the Plan's pharmacy benefits.

Amend. Compl. at 12–14. The Plan, through its designated pharmacy benefit manager Willoughby RX, determined that an alternative could be substituted pursuant to the Plan's written policies. *Id*. at 18–22. Appellant now seeks to impose state law tort liability for that very coverage decision. This is precisely the type of claim that "relate[s] to" an ERISA plan because it seeks to regulate how the plan processes claims and pays benefits. *Davila*, 542 U.S. at 214. Moreover, formulary management, including therapeutic substitution policies, is a core plan administration function that falls squarely within ERISA's domain. Every ERISA-governed health plan must make decisions about which drugs to include on its formulary, how to classify those drugs, and under what circumstances substitutions or prior authorizations will be required. These decisions directly affect the benefits any beneficiary is entitled to receive. *Egelhoff*, 532 U.S. at 147. Tennessee's wrongful death statute, Tenn. Code § 20-5-106, under the Appellant's theory, would impose requirements on how plans must structure and administer their formulary substitution decisions—which directly regulates a central matter of plan administration and therefore "relates to" the Plan within the meaning of Section 514(a).

Appellant cannot escape preemption by framing the claim as one grounded in professional negligence or wrongful death rather than improper benefit denial. The Supreme Court has repeatedly held that the label placed on [a] claim by the

plaintiff is not controlling. *Davila*, 542 U.S. at 214. Instead, courts must examine the substance of the claim to determine whether it challenges plan administration. *Id*. When stripped of its state law labels, Appellant's claim challenges the Plan's formulary substitution policy and its application to Marianne's prescription—conduct that involves the administration of an ERISA-regulated plan. *Id*. at 215. If the Appellant's state law claim were allowed to proceed, every coverage determination could create parallel state tort litigation, which is exactly the kind of alternative enforcement mechanism that the Supreme Court found pre-empted. *See Pilot Life Ins. Co.*, 481 U.S. at 54.

This case is distinguishable from *Rutledge v. Pharm. Care Mgmt. Ass'n*, where the Supreme Court found no preemption of an Arkansas statute that merely regulated the prices pharmacy benefit managers could charge. 592 U.S. 81, 88–91 (2020). The *Rutledge* Court emphasized that Arkansas's law imposed no requirements as to the structure, design or administration of ERISA plans. *Id*. at 89. Tennessee's wrongful death statute, Tenn. Code § 20-5-106, as applied here, does precisely what Arkansas's pricing regulation did not—it imposes requirements on how plans must structure and administer their formulary substitution processes. By creating tort liability for substitutions that Appellant contends violates Tennessee's standard of care, the state law in Appellant's view would effectively mandate

particular administrative protocols that plans must follow, which is exactly the kind of regulation *Rutledge* said would be preempted. *Id*. at 89.

Appellant's wrongful death claim bears striking resemblance to the features of a state law that "relates to" an ERISA plan: (1) it arises from plan benefit determinations; (2) challenges core administrative functions; (3) provides an alternative enforcement mechanism; and (4) would impose state law requirements on plan structure and operations. The district court correctly held that such a claim falls squarely within ERISA's broad preemptive scope.

b. The Claim Impermissibly Seeks to Impose State Law Duties And Remedies That Would Undermine Uniform Plan Administration.

A central purpose of ERISA preemption is to ensure that employee benefit plans are "subject to a uniform body of benefits law" rather than "the threat of conflicting or inconsistent State and local regulation." *Ingersoll-Rand Co. v. McClendon*, 498 U.S. 133, 142 (1990). Congress enacted ERISA's broad preemption clause to avoid a patchwork scheme of regulation and to minimize the administrative and financial burden of complying with conflicting directives among States. *FMC Corp. v. Holliday*, 498 U.S. 52, 60 (1990); *Fort Halifax Packing Co. v. Coyne*, 482 U.S. 1, 10 (1987). Appellant's wrongful death claim threatens this foundational principle by seeking to impose Tennessee-specific tort duties and remedies on plan administration decisions that necessarily transcend

Tennessee's boundaries. If Appellant's claim were permitted to proceed, the Plan would face different legal obligations depending on where each individual claim for benefits happened to be processed. The result would be identical formulary policies, applied uniformly across all plan participants, could generate tort liability in some states but not others—precisely the "patchwork scheme" ERISA was designed to prevent. *FMC Corp.*, 498 U.S. at 60.

Willoughby Health's plan, like most employer-sponsored health plans, covers employees in multiple states. Amend. Compl. at 8–10. The Plan's Summary Plan Description establishes uniform formulary management procedures that apply to all participants regardless of geographic location. *Id*. at 18–22. These procedures delegate formulary administration to Willoughby RX, which applies consistent substitution protocols designed to serve the plan population as a whole. *Id*. Subjecting these uniform procedures to varying state law duties would force the Plan to either: (1) abandon uniformity and create state-specific administrative protocols that are costly and complex; or (2) adopt the most restrictive procedures required by any state, thereby allowing the most restrictive state law to effectively regulate plan administration nationwide. Neither option is consistent with ERISA's structure, and both frustrate its purpose. As the Supreme Court explained in *Egelhoff*, when a state law applies to ERISA plans and would require plans to

undertake an extensive investigation varying by state, it imposes the very burden that ERISA preemption was intended to avoid. 532 U.S. at 149–150.

Moreover, permitting state tort remedies for benefit administration decision resurrects the alternative enforcement mechanism Congress deliberately excluded from ERISA. In *Pilot Life Insurance Co. v. Dedeaux*, the Supreme Court held that ERISA preempted a state common law claim for improper denial of benefits because allowing such claims would provide alternative enforcement mechanisms inconsistent with the congressional expectation that ERISA's civil enforcement provisions would be the exclusive vehicle for actions by ERISA plan participants and beneficiaries asserting improper processing of a claim for benefits. 481 U.S. 41, 52, 54 (1987). The Court emphasized that Congress crafted ERISA's remedial scheme, which notably excludes compensatory and punitive damages, with care and permitting state law damages would "pose an obstacle to the purposes and objectives of Congress." *Id*. at 52.

Appellant's wrongful death claim seeks precisely such an alternative remedy. Rather than pursuing the relief ERISA authorizes, such as recovery of wrongfully denied benefits, equitable relief, or civil penalties, Appellant invoked Tennessee law to seek compensatory damages. Amend. Compl. at 28–30. These damages exceed anything available under ERISA's enforcement provisions. *See*,

29 U.S.C. § 1132(a). ERISA's limited remedies reflect a deliberate congressional choice to protect employers from the burden of unpredictable liability while still providing meaningful relief to plan participants. *Massachusetts Mutual Life Ins. Co. v. Russell*, 473 U.S. 134, 142–43 (1985). The uniform administration concern is heightened because it would expose plans to liability based on state law standards that evolve through tort litigation rather than statutory text. Unlike the pricing standard in *Rutledge*, which provided a "bright-line rule" that plans could easily apply, 592 U.S. 80, 91 (2020), Appellant's interpretation would require plans to predict how state courts will define reasonable care in a constantly evolving landscape of pharmacy practice standards, medical advances, and jury decisions. This kind of unpredictability is antithetical to ERISA's goal of enabling employers to establish a "uniform administrative scheme" with "a set of standard procedures to guide processing of claims and disbursement of benefits." *Fort Halifax Packing Co. v. Coyne*, 482 U.S. 1, 9 (1987).

Appellant's wrongful death claim would impose state-specific duties and remedies on plan administration that would fracture uniformity and the national system Congress contemplated and established.

c. This Court's Recent Decision in Aldridge Confirms That The State Tort Claims Challenging Benefit Determinations Are Preempted.

This Court's decision in *Aldridge v. Regions Bank* provides direct, binding authority confirming that Appellant's wrongful death claim is preempted. 144 F.4th 828 (6th Cir. 2025). Although *Aldridge* addressed the scope of equitable relief under ERISA § 502(a)(3), the decision necessarily resolved the threshold question of whether state law claims challenging benefit administration may proceed alongside ERISA claims. This Court's answer was unequivocal: they may not. *Id*. at 833-34. By holding that participants must pursue relief exclusively through ERISA's civil enforcement provisions, *Aldridge* reaffirmed the foundational principle that ERISA's remedial scheme is not merely comprehensive but exclusive, thereby preempting state-law alternatives that seek to remedy plan administration grievances.

In *Aldridge*, the plaintiff challenged her ERISA plan fiduciary's failure to properly process her benefit election, resulting in allegedly inadequate retirement benefits. *Id*. at 833–36. Rather than accepting the limited remedies available under ERISA, such as recovery of benefits due under the plan, the plaintiff sought what she characterized as “equitable” relief in the form of monetary surcharge to compensate for her losses. *Id*. at 833. This Court held that such relief was unavailable, emphasizing that ERISA's balancing" of participant protections against plan administrator burdens meant that compensatory damages, even when labeled as equitable relief, remain outside ERISA's remedial framework. *Id*. at 849-

50. Critically, the Court recognized that allowing plaintiffs to circumvent ERISA's limited remedies by recasting their claims would "undermine congressional intent" and "resurrect the very alternative enforcement mechanisms the Supreme Court has repeatedly held preempted." *Id*. at 841 (citing *Pilot Life Ins. Co. v. Dedeaux*, 481 U.S. 41, 52 (1987)).

Appellant, like the plaintiff in *Aldridge*, seeks monetary compensation for losses allegedly caused by improper plan administration. The only difference is the label. Appellant invokes Tennessee's wrongful death statute rather than ERISA's equitable relief provision. But as *Aldridge* makes clear, the label placed on the claim cannot overcome ERISA's preemptive scope when the claim seeks to remedy plan administration decisions through damages unavailable under ERISA. 144 F.4th at 834; *see also*, *Aetna Health Inc. v. Davila*, 542 U.S. 200, 214 (2004).

Permitting Appellant to pursue state law wrongful death damages would create precisely the alternative enforcement mechanism that both *Aldridge* and *Davila* found incompatible with ERISA's structure. 144 F.4th at 850; *Davila*, 542 U.S. at 209. Congress "sought to encourage employers to create these plans. ERISA thus contains uniform rules to "simplify the regulatory environment" in order to encourage employers to offer benefits without exposing them to unpredictable and potentially catastrophic liability. *Aldridge*, 144 F.4th at 834.

Allowing wrongful death damages for benefit administration decisions would eviscerate this limitation. Every denied or modified claim could spawn state tort litigation seeking compensatory and even punitive damages, precisely the unpredictable liability Congress sought to prevent. *Id.*

The district court's reliance on *Aldridge* was entirely appropriate. When this Court holds that even claims brought under ERISA's own civil enforcement provisions cannot support certain monetary relief, it necessarily follows that state law claims seeking identical or greater relief are preempted. To hold otherwise would create the kind of incongruous result that participants have broader remedies under state law than under the federal statute that exclusively governs their plans.

Appellant may argue that *Aldridge* addressed only the availability of particular remedies under § 502(a)(3), not whether state law claims are preempted. But this argument misunderstands *Aldridge's* significance. The decision's entire premise is that ERISA's remedial limitations are mandatory and exclusive; that Congress carefully designed the relief available to plan participants, and courts must respect those boundaries. 144 F.4th at 834–36. *Aldridge* represents this Court's most recent and definitive statement on the interplay between ERISA's exclusive remedies and attempts to seek greater relief through alternative means. The decision makes clear that participants and beneficiaries must take ERISA's

remedial scheme as designed, inclusive of its limitations, and cannot circumvent those limitations by recasting their claims under state law.

The district court correctly held that ERISA preempts Appellant's state law wrongful death claim. The claim "relates to" the Plan because it challenges core benefit administration decisions; it would undermine uniform plan administration by imposing state-specific duties and remedies; and this Court's binding precedent in *Aldridge* confirms that such claims cannot proceed.

II. APPELLANT FAILED TO STATE APPROPRIATE EQUITABLE REMEDIES UNDER ERISA THAT REDRESS AN ALLEGED BREACH OF FIDUCIARY DUTY.

Section 1132(a)(3) enables a "participant, beneficiary, or fiduciary" to bring forth a suit to obtain "appropriate equitable relief" to redress an ERISA violation. *Aldridge v. Regions Bank*, 144 F.4th 828, 844 (6th Cir. 2025) (citing 29 U.S.C. § 1132(a)(3)). Appellant brings forth an estate claim based on the beneficiary's loss of lifetime earnings, contending that she is entitled to equitable relief for: (1) direct economic harm; (2) the Appellees' alleged unjust enrichment; (3) costs and attorneys' fees; and (4) prejudgment and post-judgement interest. This response shall only address the claims alleging direct economic harm and the alleged unjust enrichment (restitution) as ruled in the district court's opinion. Dist. Ct. Op. ¶ 6, 11. This Court should affirm the district court's ruling because the Appellant failed to

state remedial claims under ERISA § 1132(a)(3) that qualify as appropriate equitable relief. *Id*. at 13-15.

Appellant's claim for economic equitable relief lacks sufficiency because § 1132(a)(3) does not endorse monetary relief. The Supreme Court acknowledged Congress' distinction between equitable relief, remedial relief, and legal relief throughout ERISA. *Mertens v. Hewitt Associates*, 508 U.S. 248-49 (1993). In *Mertens*, the Court stated that Congress ought to have intended for these terms to have different meanings, thus proving that the relief options available under § 1132(a)(3) must be limited. *Id*.; see, *Aetna Health Inc. v. Davila*, 542 U.S. 200, 215 (2004) (The Supreme Court considers the limited remedies a "careful balancing" that ensures fair and prompt enforcement of a plan's rights).

Traditionally, monetary [or compensatory] damages were a form of legal relief. *Mertens*, 508 U.S. at 255. Unlike legal relief, equitable relief categories were identified as injunction, mandamus, and restitution. *Id*.

In *Rose v. PSA Airlines, Inc.*, the Fourth Circuit agreed that monetary relief was not a remedy owed under § 1132(a)(3), as it seemed too relatable to "money damages," and was therefore not equitable. 80 F.4th 488, 493 (4th Cir. 2023); see also, *Aldridge*, 144 F.4th at 846 (quoting *Mertens*, 508 U.S. at 255, that a "monetary relief. . .falls on the non-actionable legal side of the divide.").

Allowing equitable relief claims to prevail as monetary remedies thus expands the relief options under § 1132(a)(3) and resuscitates the former "make-whole relief" that the Supreme Court abandoned. *Rose*, 80 F.4th at 493 (citing *Cigna Corp. v. Amara*, 563 U.S. 421, 442 (2011) (acknowledging that the Supreme Court previously awarded "make-whole" monetary relief by offering a surcharge remedy.)). Here, Appellant seeks to redeem surcharge fees for direct economic harm caused by Appellees' alleged breach. Am. Compl. at 10.

Appellant is unable to redeem an equitable surcharge because it is merely a request for [monetary] damages under another label. *Aldridge,*144 F.4th at 845-46. In *Aldridge*, this Court held that money damages cannot be obtained under Sections 1132(a)(3). *Id*. Relying on the Supreme Court's narrow reading of equitable relief, this Court concurred that plaintiffs who brought suits under Sections 1132(a)(3) may only seek remedies within the equity camp and must have a lesser meaning than "all relief." *Id*. at 845-46.

In *Helfrich v. PNC Bank Kentucky, Inc*., the plaintiff argued that, traditionally, courts of equity entitled a beneficiary to a remedy that would "put him in the position in which he would have been if the trustee had not committed the breach…." 267 F.3d 477, 480 (6th Cir. 2001) (quoting Restatement (Second) of Trusts § 205 (1959)); see also *Amara*, 563 U.S. at 441 (explaining equitable

estoppel as a remedy places the person who is owed a benefit "in the same position he would have been in had the representations been true.").

Even if the Appellees breached a fiduciary duty to the participant, Appellees lacked an opportunity to provide a timely remedy due to the participant's sudden death. Am. Compl. at 5. An appropriate [non-monetary] equitable relief for Appellant would be granting an exception for the participant to receive the prescribed vancomycin or another effective medication, even though Appellees are statutorily required to have a formulary medication list. See 45 CFR § 156.122(a)(2).

In *Helfrich*, this Court attempted to remedy an award that would duplicate the benefit if the plaintiff's directions were followed by the fiduciary. 267 F.3d at 480. Nonetheless, this Court underscored that the Supreme Court "specifically disallowed money damages as '[an] appropriate equitable relief'" and, therefore, rejected the *Helfrich* plaintiff's claims for money damages [and restitution] while measuring the relief with his losses. 267 F.3d at 482-83 (citing *Mertens*, 508 U.S. at 256).

Appellant is unable to recover an appropriate equitable relief through monetary remedies. Appellant's claim seeks a recovery that, essentially, would reinstate the beneficiary in a position as if she was initially prescribed vancomycin. However, Appellant fails to identify what such recovery looks like as a non-

monetary remedy to suffice the "losses [that] resulted from…the [alleged] breach." Am. Compl. at 10.

Further, while the claim avows that the Appellees' breached a duty, Appellant failed to clarify an exact loss suffered, other than loss of life, that could lead the courts to determine an appropriate non-monetary remedy. See, *Rochow v. Life Ins. Co. of North America*, 780 F.3d 364, 371-76 (6th Cir. 2015) (declaring that the remedial goal was to put plaintiff in a position he would have occupied but for the defendant's wrongdoing in order to make the participant whole rather than focusing on the fiduciary's wrongdoing.); see also, *Varity Corp. v. Howe*, 516 U.S 489, 490-91 (1996) (affirming an appropriate equitable relief as a performance of duty in ordering the reinstatement of terminated benefit plans to former beneficiaries after the fiduciary breached its duty.).

A. Surcharge Remedies are No Longer Recoverable Under Section 502(a)(3) as an Appropriate Equitable Relief.

Appellant may argue that she is entitled to a surcharge remedy because if it had not been but for Appellees' [alleged] failure in discharging duties of prudence and loyalty, then the beneficiary would not have suffered a loss [of life]. Am. Compl. at 5, 9. In *Cigna Corp. v. Amara*, the Supreme Court previously upheld that surcharge was an appropriate equitable relief under Section § 1132(a)(3) following a fiduciary's breach of duty. 563 U.S. at 439. According to the Supreme Court, a

fiduciary could be surcharged only if the showing of actual harm was proved by a preponderance of evidence. *Id*. at 444.

Here, even if Appellees' actions were inadvertently imprudent and disloyal, this argument cannot prevail for two reasons. Am. Compl. at 9. First, although the Supreme Court in *Amara* temporarily derailed from its earlier opinion where it refused to examine trust-law remedies, the court later clarified that "the interpretation of equitable relief" remains unchanged. E.g. *Mertens*, 508 U.S. at 255 and *Great-W. Life & Annuity Ins. Co. v. Knudson*, 534 U.S. 204, 221 (2002) (reaffirming that equitable relief should be limited and there is no need to further interpret what Congress' meaning of "other appropriate relief."). *Rose v. PSA Airlines, Inc.*, 80 F.4th 488, 503 (4th Cir. 2023) (citing *Montanile v. Bd. Of Trs. of Nat. Elevator Indus. Health Benefit Plan*, 577 U.S. 136, 147 (2016)). Furthermore, Appellant's argument lacks sustainable precedence proving that Appellees' actions were a direct cause of the beneficiary's loss.

Second, Appellant alluded that Appellees' [alleged] imprudence and disloyalty via "actions and omissions" was the proximate cause for the participant's direct economic harm. Am. Compl. at 9. In *Aetna Health v. Davila*, the Supreme Court held that a managed care entity cannot be subjected to liability if it denies coverage for a treatment not covered by the plan. 542 U.S. at 201. Since this current review of the District Court's ruling must be examined as a matter of

law, the *Aetna* Court reaffirms that Appellees cannot be held liable for strictly adhering to the Plan's coverage regarding formulary drugs. *Id*.; Am. Compl. at 3, 9.

1. Appellant fails to meet the bare minimum necessary to recover exemplary damages.

Even if this Court reverses the district court's opinion, Appellant is not entitled to exemplary damages because it lacks evidence beyond a bare minimum that Appellees' breached a duty. *Aetna* attested that a "plaintiff must prove facts beyond the bare minimum necessary" to receive exemplary damages and further clarified that a fiduciary's bad-faith refusal" to approve a claim needed to be proven. 542 U.S. at 216 (citing *Allis-Chalmers Corp. v. Lueck*, 471 U.S. 202, 217 (1985)).

In a similar case, an *Aetna* respondent (beneficiaries) was prescribed Vioxx, but its fiduciary offered Naprosyn which allegedly caused a severe reaction and extensive hospitalization. 542 U.S. at 205. Yet, the respondent's only complaint was that its fiduciary refused to cover the original prescription costs. *Id*.

Here, Appellant failed to prove beyond the bare minimum necessary that she is entitled to exemplary [compensatory, punitive, and surcharge] damages. Am. Compl. at 10. Appellant alleged that Appellees' acted "disloyal and imprudent in substituting medications…despite the obvious and demonstrated risks of doing so." Am. Compl. at 9. Like *Aetna*, Appellant alleged that an unspecified loss was

suffered due to the switching of participant's medication…because Bactrim is less expensive than vancomycin…." Am. Compl. at 5; *Aetna*, 542 U.S. at 205.

Appellant's claim does not meet the Supreme Court's bare minimum standard to recover exemplary damages. *Aetna*, 542 U.S. at 216. Other than baseless complaints, Appellant lacks evidence proving that the Appellees' offering of Bactrim to the participant was an outright "bad-faith refusal" to offer vancomycin. Am. Compl. at 4. Without the bare minimum necessary, Appellant's claim is incomplete and thus not entitled to an award. See *Bast v. Prudential Ins. Co. of America*, 150 F.3d 1003, 1009 (9th Cir. 1998) (describing extracontractual [and compensatory] remedies as participant's chance of survival, out of pocket costs, loss of income, loss of consortium, and emotional distress.").

B. Baseless Presumptions of Unjust Enrichment Must Not Prevail Under 502(a)(3) Equitable Remedy Claims.

Even though the Supreme Court held that restitution is an appropriate equitable remedy, Appellant's claim does not identify specific funds nor evidence of the beneficiary's prior possessions. *Rose v. PSA Airlines*, Inc., 80 F.4th 488, 499 (4th Cir. 2023). The *Rose* Court defined equitable restitution as "remedy award[ed] money to the plaintiff 'where money or property…could clearly be traced to particular funds or property in the defendant's possession.'" *Rose,* 80 F.4th at 501 (citing *Great-W. Life*, 534 U.S. at 213).

The *Rose* plaintiff sought appropriate equitable relief, such as restitution and disgorgement, for her son who passed away shortly before the fiduciary approved his surgery. 80 F.4th at 494. Typically, the plaintiff has the burden of proving that specific funds were once in his possession but are now owned by the defendant via unjust enrichment. *Id*. at 500. The Fourth Circuit agreed that restitution was an appropriate remedy under 1132(a)(3), but it forbade the *Rose* plaintiff from recovering out of the defendant's general assets. *Id*. at 500-01.

Here, Appellant seeks to disgorge "all amounts" that Appellee allegedly profited from through its statutorily required formulary drug list. 45 CFR 156.122(a)(2); Am. Compl. at 10. The *Rose* Court and the *Great-W. Life* Court corroborate that Appellants claims are inconclusive for two reasons. *Rose*, 80 F.4th at 501; *Great-W. Life*, 534 U.S. at 213. First, Appellant introduced a claim without any specified funds but alleged "all amounts" with no clear traces of such funds. Am. Compl. at 10. Second, Appellants claim labels these unspecified funds as "ill-gotten gains" without any correlation of direct ties or benefits once possessed by the beneficiary. *Id*.; see also *Rose*, 80 F.4th at 505 (remanding to decide whether the defendant interfered with the participant's rights and, as a result, received an unjust enrichment.).

Additionally, Appellant attempted to claim an entitlement to Appellees' general assets, which this Court forbids. *Aldridge*, 144 F.4th at 847. Appellant

stated, "disgorgement of 'all amounts' by which [Appellees] profited through application of their drug switching program." Am. Compl. at 10. "All amounts" lacks ties to specific funds without any context, making it likely to imply general assets or other unfounded assets that do not qualify as appropriate equitable relief. *Id*. In the complaint, the Appellant specified 10 million dollars but expressly tied this amount to "competitive and punitive damages" rather than restitution. *Id*. Therefore, Appellant failed to identify a specific amount in restitution that belongs to the beneficiary.

Appellant leaves this Court without any recourse on how much restitution it should award in equitable relief. Allowing this claim to prevail would create precedence that entitles plaintiffs to absurd amounts and nontraceable funds in restitution under ERISA § 1132(a)(3), which is why this Court should affirm the district court's ruling.

CONCLUSION

For all of the foregoing reasons, this Court should affirm the District Court's denial of relief for Appellant.

Dated: January 23, 2026

Respectfully submitted,

/s/_____

Team 4

Counsel for the Appellees

CERTIFICATE OF COMPLIANCE

This brief complies with the type-volume limitation of Federal Rule of Appellate Procedure 32(a)(7)(B) because the brief 7818 words/uses a monospaced typeface and contains 721 lines of text, excluding the parts of the brief exempt by Federal Rule of Appellate Procedure 32(f) and Sixth Circuit Local Rule 32(b)(1).

This brief complies with the typeface requirements of Federal Rule of Appellate Procedure 32(a)(5) and the type-style requirements of Federal Rule of Appellate Procedure 32(a)(6) because it has been prepared in a proportionally spaced typeface using Microsoft Word in 14-point in Times New Roman font.

Dated: January 23, 2026

/s/_____Team 4_____

Attorney for Defendant-Appellees