

Federal Court Rejects Summary Judgment for ERISA Interference and ADA Associational Claims

January 23, 2015

Under the Americans with Disabilities Act (the “**ADA**”), it is generally unlawful to discriminate against an employee because of his association with a person who has a disability that is covered under the ADA. Under the Employee Retirement Income Security Act (“**ERISA**”), it is unlawful to discriminate or discharge an ERISA plan participant for the purpose of interfering with the attainment of any right to which he may become entitled under the plan. In this case, the daughter of the employer’s top salesperson incurred over \$800,000 in medical claims under the employer’s group health plan for her chronic condition. The employer’s insurer gave notice to the employer that, as a result of her claims, it would increase premiums substantially. Shortly thereafter, the employer’s Chief Financial Officer, who is the officer that reviewed the employer’s medical expenses, decided to terminate the salesperson even though the salesperson’s direct supervisor thought his termination was not warranted. The reason given for the termination was that the salesperson billed one customer one week late (which resulted in no loss to the employer). This termination did not follow the progressive discipline policy in the employer’s handbook and was inconsistent with the treatment of other salespeople who had committed materially worse billing violations without being terminated. Based on these facts, the magistrate judge determined that summary judgment in favor of the employer was inappropriate. A copy of the court opinion can be found [here](#).