The Impact of <i>Cigna Corp. v. Amara</i> for ERISA Plan Sponsors, Administrators and Participants

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The U.S. Supreme Court (the "Court") recently issued an opinion in *CIGNA Corp. v. Amara ("Amara")*. The case addressed what remedies a court may award when, with respect to a pension plan that is subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), (i) there is a conflict between the terms of (A) the technical plan document that sets forth the plan's provisions and (B) the summary plan description ("SPD") or summary of material modifications ("SMM") (collectively, "Summary Documents") which simplify and summarize the plan document, and (ii) plan participants and beneficiaries suffer harm as a result of the false or misleading terms in the Summary Documents. In a unanimous decision, the Court vacated the lower court's opinion, which would have forced CIGNA to reform the terms of its pension plan and provide additional benefits to the plaintiff class of participants and beneficiaries who suffered "likely harm" as a result of the defective Summary Documents. The Court further remanded the case to the Connecticut District Court (the "District Court") to determine whether appropriate remedies may be imposed, consistent with the Court's opinion. As will be discussed below, however, the decision was not a clear victory for either side, and the opinion poses potentially serious consequences for plan sponsors, administrators and participants.

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