

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF GEORGIA
BRUNSWICK DIVISION**

CLOVER INSURANCE COMPANY,

Plaintiff,

v.

DEPARTMENT OF HEALTH AND HUMAN
SERVICES, CENTERS FOR MEDICARE &
MEDICAID SERVICES, ROBERT F.
KENNEDY, JR., and MEHMET OZ,

Defendants.

CIVIL ACTION NO.: 2:25-cv-142

ORDER

Defendants filed a Motion to Stay Discovery. Doc. 26. Plaintiff filed a Response in opposition. Doc. 27. Defendants filed a Reply. Doc. 31. For the reasons discussed below, the Court **GRANTS** Defendants' Motion and **STAYS** discovery and discovery-related proceedings. This stay will be automatically lifted upon the issuance of a Court order ruling on Defendants' motion to dismiss, if any claims remain pending. The Court **DIRECTS** the parties to confer within 14 days of a ruling on Defendants' motion to dismiss and then submit their Rule 26(f) report 7 days after their conference, if the case remains pending in this District.

Plaintiff filed suit, alleging Defendants violated the Administrative Procedure Act ("APA"). Doc. 1 at 58–66. Plaintiff provides Medicare Advantage plans. *Id.* at 1–2. Plaintiff alleges that Defendant Centers for Medicare & Medicaid Services ("CMS") departed from the APA when it rated Plaintiff's plans using data not collected under its statutory authority. *Id.* at 4, 9. Plaintiff asks the Court to order Defendant CMS to recalculate Plaintiff's ratings. *Id.* at 66.

Defendants filed a motion to dismiss or transfer and the instant Motion to Stay, asking

that the Court stay discovery and discovery-related deadlines pending resolution of their motion to dismiss or transfer. Doc. 26. Plaintiff opposes Defendants' Motion to Stay. Doc. 27.

In the Motion to Stay, Defendants argue that the Court should enter a stay to avoid undue costs and burdens of discovery pending resolution of their motion to dismiss or transfer. Doc. 26 at 2. While Plaintiff does not oppose Defendants' request to stay discovery, Plaintiff opposes deferring the parties' obligation to file a joint scheduling report under Federal Rule of Civil Procedure 26(f). Doc. 27 at 1–2. Plaintiff states that this would effectively defer summary judgment briefing and harm Plaintiff. Plaintiff explains that, in similar cases, Defendants have identified the end of May as the last possible time each year for Defendant CMS to readily effect judicial relief by recalculating ratings and changing federal funding for the upcoming contract year. *Id.* at 2. Plaintiff explains that it will lose federal funding if the District Judge does not issue a decision on summary judgment by this time. *Id.*

The Court has broad discretion when deciding whether to issue a stay of discovery. Rivas v. The Bank of N.Y. Mellon, 676 F. App'x 926, 932 (11th Cir. 2017). Although the party seeking a stay bears the burden of showing the stay is necessary, the Eleventh Circuit Court of Appeals has reasoned a court should typically rule on a dispositive motion before discovery begins to avoid unnecessary costs to the parties. Carapella v. State Farm Fla. Ins., No. 8:18-CV-2396-T-36, 2018 WL 7268163, at *1 (M.D. Fla. Nov. 5, 2018); Chudasama v. Mazda Motor Corp., 123 F.3d 1353, 1367–68 (11th Cir. 1997). For these reasons, this Court and other courts within the Eleventh Circuit routinely find good cause to stay the discovery period where there is a pending motion that will dispose of the entire case. See, e.g., Diaz v. Atkinson County, No. 5:15-cv-16, 2015 WL 4507936 (S.D. Ga. July 24, 2015); James v. Hunt, 761 F. App'x 975, 981 (11th Cir. 2018) (determining district court did not abuse discretion by staying proceedings until

ruling on pending motion for judgment on the pleadings in light of the fact the claims “would have substantially enlarged the scope of discovery”) (citing Chudasama, 123 F.3d at 1368); Habib v. Bank of Am. Corp., No. 1:10-cv-04079, 2011 WL 2580971, at *6 n.4 (N.D. Ga. Mar. 15, 2011) (citing Chudasama, 123 F.3d at 1368 (“[T]here is good cause to stay discovery obligations until the District Judge rules on [the defendant’s] motion to dismiss to avoid undue expense to both parties.”))).

When “deciding whether to stay discovery pending resolution of a pending motion, the Court inevitably must balance the harm produced by a delay in discovery against the possibility that the motion will be granted and entirely eliminate the need for such discovery.” SP Frederica, LLC v. Glynn County, No. 2:15-cv-73, 2015 WL 5242830, at *2 (S.D. Ga. Sep. 8, 2015) (quoting Feldman v. Flood, 176 F.R.D. 651, 652 (M.D. Fla. 1997)). The Court should also determine whether the parties “have any need for discovery before the court rules on the [dispositive] motion.” Chudasama, 123 F.3d at 1367. In addition, “a court must take a preliminary peek at a dispositive motion to assess the likelihood that the motion will be granted.” Sams v. Ga. W. Gate, LLC, No. CV415-282, 2016 WL 3339764, at *6 (S.D. Ga. June 10, 2016). “[A] stay should be granted only where the motion to dismiss appears, upon preliminary review, to be clearly meritorious and truly case dispositive.” Id.

Defendants have met their burden in showing a stay is appropriate. While a ruling on the motion to dismiss or transfer is a decision for the District Judge, a “preliminary peek” reveals Defendants’ motion has merit. Defendants argue the Court should dismiss or transfer Plaintiff’s claims to another venue because Plaintiff has failed to establish that venue is proper here. Doc. 21 at 1. Defendants state that Plaintiff has not pleaded that Defendant CMS engaged in acts or omissions in this District. Id. If granted in its entirety, Defendants’ motion to dismiss or

transfer would dispose of all claims here. Defendants also contend that the parties need not engage in discovery in this case, doc. 26 at 3, and Plaintiff agrees. Doc. 27 at 1.

Even if the motion to dismiss is only granted as to some of Plaintiff's claims, it will significantly reduce the scope of this litigation. This fact weighs in favor of granting the stay, given the number of claims. Indeed, courts in this circuit routinely grant motions to stay discovery where the "resolution on the pending motion to dismiss may extinguish some or all of the claims . . . potentially restricting the scope of discovery significantly." Jackson v. Fed. Home Loan Mortg. Corp., No. CV413-124, 2014 WL 12659868, at *1 (S.D. Ga. Apr. 29, 2014) (quoting White v. Georgia, No. 1:07-cv-01739, 2007 WL 3170105, at *2 (N.D. Ga. Oct. 25, 2007)); Moore v. Potter, 141 F. App'x 803, 808 (11th Cir. 2005) (explaining "any legally unsupported claim that would unduly enlarge the scope of discovery should be eliminated before the discovery stage, if possible." (quoting Chudasama, 123 F.3d at 1368)). Thus, the fact that the resolution of the motion to dismiss or transfer may dispose of the case entirely counsels in favor of granting a stay.

Plaintiff argues against a stay of discovery-related deadlines, contending that deferring the parties' Rule 26(f) obligations would harm Plaintiff and undermine judicial economy and efficiency. Doc. 27 at 2. Plaintiff states that the need to promptly brief summary judgment will remain even if the case is transferred. Id. at 3.

But there appears to be little harm in deferring discovery-related deadlines. It appears from the face of the filings that Defendants' motion to dismiss or transfer has merit, even if it ultimately fails. It is unnecessary for any party to conduct any discovery related to the pending motion to dismiss. Defendants state that Defendant CMS does not require a decision on a motion for summary judgment by May 29, 2026 to affect appropriate judicial relief, addressing

Plaintiff's concern about harm. Doc. 31 at 3–4. The Court also notes that Plaintiff filed a motion for expedited summary judgment on February 2, 2026, see doc. 34, and that this Court's Local Rules require parties opposing summary judgment motions to file a response within 21 days after service of a motion for summary judgment. Local R. 7.5. Granting this Motion thus does not delay summary judgment briefing. Allowing discovery-related proceedings to progress now is no more efficient for the Court than granting a stay until after the Court resolves Defendants' motion to dismiss or transfer.

For the reasons explained above, the Court **GRANTS** Defendants' Motion and **STAYS** discovery and discovery-related deadlines. This stay will be automatically lifted upon the issuance of a Court order ruling on Defendants' motion to dismiss, if any claims remain pending. The Court **DIRECTS** the parties to confer within 14 days of a ruling on Defendants' motion to dismiss and then submit their Rule 26(f) report 7 days after their conference, if the case remains pending in this District.

SO ORDERED, this 26th day of February, 2026.



BENJAMIN W. CHEESBRO
UNITED STATES MAGISTRATE JUDGE
SOUTHERN DISTRICT OF GEORGIA