

**In the United States District Court
for the Southern District of Georgia
Brunswick Division**

CLOVER INSURANCE COMPANY,

Plaintiff,

v.

U.S. DEPARTMENT OF HEALTH AND
HUMAN SERVICES, et al.,

Defendants.

2:25-CV-142

ORDER

On March 18, 2026, the Court ordered the parties to show cause why this case should not be transferred to the United States District Court for the District of Columbia under 28 U.S.C. § 1404(a). Dkt. No. 40. The parties have since responded to that Order. Dkt. Nos. 41, 42. For the reasons set forth below, the Court holds that Section 1404(a) transfer is not warranted, and this case should remain in the Southern District of Georgia.

BACKGROUND

The underlying facts of this lawsuit were set forth in the Court's March 18, 2026 Order, dkt. no. 40, and need not be restated in full here. At a high level, this case involves the Medicare Advantage Program, a sub-program of the federal Medicare program. Dkt. No. 1 ¶¶ 1, 4; MSP Recovery Claims, Series LLC v. QBE Holdings, Inc., 965 F.3d 1210, 1214 (11th Cir. 2020) (citing MSPA Claims 1,

LLC v. Kingsway Amigo Ins. Co., 950 F.3d 764, 767 (11th Cir. 2020)). The Medicare Advantage Program allows Medicare-eligible individuals to elect to receive their benefits through private insurers, rather than having the Centers of Medicare & Medicaid Services (Defendant "CMS") pay medical providers directly for medical care. MSP Recovery Claims, Series LLC v. Metro. Gen. Ins. Co., 40 F.4th 1295, 1298 (11th Cir. 2022) (citing 42 U.S.C. §§ 1395c to 1395i-6, 1395j to 1395w-6).

To achieve the semi-privatization facilitated by the Medicare Advantage Program, CMS contracts with Medicare Advantage Organizations ("MAOs"), and those MAOs provide Medicare-covered benefits to enrollees through Medicare Advantage Plans ("MA Plans"). Humana Med. Plan, Inc. v. W. Heritage Ins. Co., 832 F.3d 1229, 1235 (11th Cir. 2016). In an effort to communicate the quality of each MA Plan and allow beneficiaries to compare the plans available to them, CMS utilizes a rating scale: the "Star Ratings" system. Elevance Health, Inc. v. Becerra, 736 F. Supp. 3d 1, 4 (D.D.C. 2024). This rating system is the focal point of the present action. See generally Dkt. No. 1.

Under the Star Ratings system, each MA Plan receives a "Star Rating" between one and five stars in the fall of each year, with one star signaling the lowest quality plan and five stars signaling the highest quality. Blue Cross & Blue Shield of Mass., Inc. v. Kennedy, 808 F. Supp. 3d 139, 141 (D.D.C. 2025) (citing Policy and

Technical Changes to Medicare Programs, 83 Fed. Reg. 16,440, 16,520 (Apr. 16, 2018) (codified in scattered sections of 42 C.F.R.)); see also 42 C.F.R. § 422.166(a)(4). These quality scores stem from a variety of “meaningful measures” identified by CMS in the Federal Regulations it promulgates pursuant to its statutory authority. See 42 C.F.R. §§ 422.166, 422.162(a). These measures are also summarized in the “Technical Notes” released annually by CMS describing the authorized measures which factor into each MA Plan’s Star Rating and the measures’ primary data sources. See Medicare 2026 Part C & D Star Ratings Technical Notes (updated Sept. 25, 2025), cms.gov/files/document/2026-star-ratings-technical-notes.pdf. These ratings are then reported publicly in both online and print resources available to Medicare beneficiaries, and the amount of federal funding a MA Plan is eligible to receive can be impacted by its annual rating. HMO La., Inc. v. Dep’t of Health & Human Servs., 793 F. Supp. 3d 150, 153 (D.D.C. 2025).

Turning to the instant action, Plaintiff Clover Insurance Company (“Clover”) is a provider of MA Plans. Dkt. No. 1 ¶¶ 2–3. On October 9, 2025, Clover received a 2026 Star Rating of 3.5 Stars, but Clover contends that it should have received a rating of Four Stars. Id. ¶¶ 8, 43. This discrepancy, according to Clover, is due to the data points considered by CMS in its 2026 Star Rating calculations. Id. ¶¶ 8, 112–206. At bottom, Clover contends that Congress places limitations on the data points which can be

considered by CMS when it calculates annual Star Ratings. Id. ¶¶ 8-9. Clover also contends that Congress provides procedures that CMS must follow should it wish to incorporate new measures into its calculations. Id. To this end, Clover argues that CMS strayed beyond the authorized data sources without following proper procedure. Id. ¶¶ 112-206. According to the complaint, this resulted in Clover receiving a lower Star Rating calculation than it allegedly would have received had CMS followed the proper procedure, leading to reputational damage to Clover and deprivation of “approximately \$120 million in statutorily mandated quality bonus and related payments.” Id. ¶ 8.

Clover filed its six-count complaint on November 7, 2025, seeking declaratory and injunctive relief pursuant to the Administrative Procedure Act (“APA”) (Counts I-V) and the private non-delegation doctrine stemming from both Article II, § 1 of the United States Constitution and the Fifth Amendment (Count VI). Id. ¶¶ 232-73. Clover names as Defendants the Department of Health and Human Services (“HHS”); Robert F. Kennedy, Jr., in his official capacity as Secretary of HHS; CMS; and Mehmet Oz, in his official capacity as Administrator of CMS. See generally id. On December 11, 2025, Defendants jointly moved to dismiss the complaint under Federal Rule of Civil Procedure 12(b)(3), arguing that venue is improper in the Southern District of Georgia and seeking dismissal or transfer of this action under 28 U.S.C. § 1406 only. Dkt. No.

21; see also 28 U.S.C. § 1406 (providing for transfer of case filed in the wrong division or district). Clover also moved to expedite ruling on that motion, contending that a condensed timeframe is necessary to allow Defendants to “make necessary changes to increase Clover’s funding for the next year” within the proper timeframe. Dkt. No. 23 at 2.

On March 18, 2026, the Court held that venue is proper in the Southern District of Georgia. Dkt. No. 40. As a result, the Court denied Defendants’ motion to dismiss or transfer for improper venue under 28 U.S.C. § 1406. Id. at 40. However, the Court nonetheless noted the possibility of transfer under 28 U.S.C. § 1404(a), a different statutory subsection which was not fully addressed in the parties’ briefing on the motion to dismiss. Id. at 35-40. Section 1404(a) is the relevant statutory provision when a court considers transfers from one proper venue to another proper venue. 28 U.S.C. § 1404(a).

Under Eleventh Circuit caselaw, a district court may *sua sponte* transfer an action pursuant to Section 1404(a), but the court must first give the parties an opportunity to present their views on the issue. Hisey v. Qualtek USA, LLC, 753 F. App’x 698, 704 n.5 (11th Cir. 2018) (“Indeed, we have a ‘long-approved practice of permitting a court to transfer a case *sua sponte* under § 1404(a)[.]’” (quoting Tazoe v. Airbus S.A.S., 631 F.3d 1321, 1336 (11th Cir. 2011) (alterations adopted))); Tazoe, 631 F.3d at

1336 (quoting Costlow v. Weeks, 790 F.2d 1486, 1488 (9th Cir. 1986)); see also Dkt. No. 40 at 36. Accordingly, the Court ordered both parties to show cause as to why this case should not be transferred to the United States District Court for the District of Columbia under 28 U.S.C. § 1404(a). Dkt. No. 40 at 40. The parties filed timely written responses to the Order to Show Cause. Dkt. Nos. 41, 42.

LEGAL STANDARD

Under 28 U.S.C. § 1404(a), a district court may, “[f]or the convenience of parties and witnesses, in the interest of justice,” “transfer any civil action to any other district or division where it might have been brought or to any district or division to which all parties have consented.” The purpose of Section 1404(a) is to “prevent waste of time, energy and money and to protect litigants, witnesses and the public against unnecessary inconvenience and expense.” Harrington v. United States, No. 406CV285, 2008 WL 2019563, at *2 (S.D. Ga. May 9, 2008) (quoting Matlock v. United States, No. CIV. 06-768KI, 2007 WL 4287601, at *2 (D. Or. Dec. 4, 2007)); see also Van Dusen v. Barrack, 376 U.S. 612, 616 (1964).

In the Eleventh Circuit, courts employ a two-step process to determine whether transfer is warranted under Section 1404(a). Korean First Assembly of God, Inc. v. Liberty Mut. Ins. Co., No. CV 124-146, 2024 WL 4453803, at *1 (S.D. Ga. Oct. 9, 2024) (citing Dial HD, Inc. v. Clearone Commc’ns, Inc., No. CV 109-100, 2010 WL

3732115, at *5 (S.D. Ga. Sept. 7, 2010)). First, for transfer to be possible, “the alternative venue must be one in which the action could originally have been brought by the plaintiff.” Id. Second, in the typical case not involving a forum selection clause, the district court must weigh a constellation of public and private interests to determine whether transfer is warranted. Id.; Atl. Marine Const. Co., Inc. v. U.S. Dist. Ct. for W. Dist. of Tex., 571 U.S. 49, 62 (2013). In other words, the court must “balance the preference given to the plaintiff’s choice of forum with the burden of litigating in an inconvenient forum.” Harrington, 2008 WL 2019563, at *2 (citing Matlock, 2007 WL 4287601, at *2).

The Eleventh Circuit has enumerated nine factors for courts to consider in a Section 1404(a) analysis:

(1) the convenience of the witnesses; (2) the location of relevant documents and the relative ease of access to sources of proof; (3) the convenience of the parties; (4) the locus of operative facts; (5) the availability of process to compel the attendance of unwilling witnesses; (6) the relative means of the parties; (7) a forum’s familiarity with the governing law; (8) the weight accorded a plaintiff’s choice of forum; and (9) trial efficiency and the interests of justice, based on the totality of the circumstances.

Manuel v. Convergys Corp., 430 F.3d 1132, 1135 n.1 (11th Cir. 2005) (citation omitted). Another analytical framework for Section 1404(a) transfer breaks these criteria into “public interest” and “private interest” factors. Atl. Marine, 571 U.S. at 63 n.6; see also Harrington, 2008 WL 2019563, at *2. There is significant

overlap between these two frameworks, as the “private interest” factors under this alternative formulation “repeat the Manuel factors but in other form.” Harrington, 2008 WL 2019563, at *2 (citing Hills v. Brinks, Inc., No. CIV. A. 07-4207, 2008 WL 243944, at *4 (E.D. La. Jan. 25, 2008)); Atl. Marine, 571 U.S. at 63 n.6.

The public interest factors mirror Manuel in some ways but are not entirely coextensive. Harrington, 2008 WL 2019563, at *2. The public interests enumerated by the Supreme Court include “the administrative difficulties flowing from court congestion; the local interest in having localized controversies decided at home; [and] the interest in having the trial of a diversity case in a forum that is at home with the law.” Atl. Marine, 571 U.S. at 63 n.6. “The Court must also give some weight to the plaintiffs’ choice of forum.” Id. (citing Norwood v. Kirkpatrick, 349 U.S. 29, 32 (1955)).

At its core, transfer is a highly discretionary choice for a district court, and it is not easily obtained. Payne v. United States, No. CV418-265, 2019 WL 1522887, at *1 (S.D. Ga. Mar. 18, 2019) (citing In re Ricoh Corp., 870 F.2d 570, 573 (11th Cir. 1989); England v. ITT Thompson Indus., Inc., 856 F.2d 1518, 1520 (11th Cir. 1988)), report and recommendation adopted, 2019 WL 1521983 (Apr. 8, 2019). Generally, a “plaintiff’s choice of forum should not be disturbed unless it is clearly outweighed by other considerations, and a transfer that would only shift inconvenience

from the defendant to the plaintiff does not outweigh the plaintiff's choice [of forum] for Section 1404(a) purposes." Id. (quoting SEC v. Lauer, 478 F. App'x 550, 554 (11th Cir. 2012)); see also Robinson v. Giarmarco & Bill, P.C., 74 F.3d 253, 260 (11th Cir. 1996) (quoting Howell v. Tanner, 650 F.2d 610, 616 (5th Cir. 1981)). In other words, "the Court employs a 'strong presumption against disturbing' Plaintiff's choice of forum." Leffew v. Robbins Express LLC, No. 4:23-CV-250, 2024 WL 6967291, at *2 (S.D. Ga. Jan. 5, 2024) (quoting SME Racks, Inc. v. Sistemas Mecanicos Para Electronica, S.A., 283 F.3d 1097, 1100 (11th Cir. 2004)).

DISCUSSION

"Because it is the plaintiff's obligation to institute the action in a permissible forum, the plaintiff usually bears the burden of establishing that venue is proper." Harrington, 2008 WL 2019563, at *1 (quoting Sheppard v. United States, No. CIV.A.06 855 RBW, 2007 WL 1098711, at *2 (D.D.C. Apr. 12, 2007)). Here, pursuant to the Court's March 18, 2026 Order, that burden has been met despite Defendants' challenge: the Southern District of Georgia is a proper forum, and transfer or dismissal pursuant to 28 U.S.C. § 1406 is not warranted. See Dkt. No. 40. That being so, it remains unanswered whether the Court should, acting *sua sponte* pursuant to 28 U.S.C. § 1404(a), transfer this action from a proper forum (the Southern District of Georgia) to another forum which the parties concede is proper (the District of Columbia). Id.; see

also Dkt. Nos. 22, 25.

Here, the parties agree that the action could have been brought in the District of Columbia. Dkt. No. 41; Dkt. No. 22 at 14; Dkt. No. 25 at 10. That is, after all, where the HHS headquarters is located and where its Secretary, Defendant Robert F. Kennedy, Jr., performs his official duties. Dkt. No. 1 ¶¶ 45-46; Dkt. No. 22 at 17. It is also where the challenged decisions originated and where some of Clover's counsel are located. Dkt. No. 21 at 1, 4, 6; Dkt. No. 22 at 15; Dkt. No. 41 at 1-2; Dkt. No. 42 at 18-19, 25. However, this, in conjunction with Defendants' argument in favor of transfer, is insufficient to overcome the strong presumption in favor of retaining Clover's choice of forum. Dkt. No. 41; Leffew, 2024 WL 6967291, at *2.

To explain, Defendants seek transfer for three primary reasons: (1) the interest of justice, (2) convenience, and (3) efficiency. Dkt. No. 41 at 1-2. Defendants, however, do not address in great detail most of the Manuel (or Atlantic Marine, if relying on the other formulation) factors affecting Section 1404(a) transfer decisions. See generally Dkt. No. 41; Manuel, 430 F.3d at 1135 n.1; Atl. Marine, 571 U.S. at 63 n.6; see also Dkt. No. 42 at 6 (Clover's response, claiming "Defendants do not even brief most factors, forfeiting them").

In sharp contrast with Defendants' failure to address most of the Section 1404(a) transfer factors, Clover addresses every

factor from both Manuel and Atlantic Marine in granular detail, explaining why, according to Clover, this case should not be transferred. Dkt. No. 42 at 10-24. Clover even filed with the Court multiple declarations in support of this case remaining in the Southern District of Georgia. Dkt. Nos. 42-1, 42-2, 42-3, 42-4, 42-5, 42-6. For example, one such declaration is from Sherry Smith, a nurse practitioner in Savannah, Georgia, who outlines how she believes Clover's 2026 Star Rating will impact the particular health needs of Southeast Georgia residents. Dkt. No. 42-1. Another declaration, this time by Clover employee Deven Killough, details how Clover's proprietary technology has a particular impact on the Southern District of Georgia, further explaining how, in his opinion, Clover's impact in this District could be threatened by its 2026 Star Rating. Dkt. No. 42-2.

Additional declarations include (1) two more statements by Georgia-based Clover employees who explain how the company's technology has proved particularly helpful to fill the healthcare gaps in this District, dkt. nos. 42-3, 42-4; (2) a statement by a Savannah-based "retired healthcare advocate" and Clover MA plan beneficiary who details how Clover's technology is especially important to this District's unique healthcare landscape, dkt. no. 42-5; and (3) a declaration from Clover's Chief Financial Officer, who outlines how the 2026 Star Rating is especially threatening to Clover's operations in this District, in light of the large number

of Clover beneficiaries in this District and the disproportionately high percentage of those members who suffer from a serious or chronic condition, dkt. no. 42-6.

At bottom, these declarations regarding the particular vulnerabilities of seniors in the Southern District of Georgia and how Clover serves this market contradict Defendants' statement that the interests of justice would favor transfer to the District of Columbia. Dkt. No. 41 at 1-2; Manuel, 430 F.3d at 1135 n.1. This is because of Clover's efforts to highlight the special relationship between the Southeast Georgia community and the healthcare controversy at hand, alongside the particular impact that this case may have on Medicare beneficiaries in this locality. Payne, 2019 WL 1522887, at *2 (citing In re Morgan Stanley, 417 F. App'x 947, 949 (Fed. Cir. 2011) (listing "the relationship of each community to the controversy" as a factor impacting whether transfer is "in the interest of justice"))).

These declarations also pinpoint why this case can be considered a "localized controversy" with particular weight in the Southern District of Georgia, a public interest factor striking in favor of retaining venue in the present forum. Atl. Marine, 571 U.S. at 63 n.6. The fact that the challenged harm may be felt elsewhere in Clover's other major markets does not negate Clover's efforts to set forth this District's particular interest in this dispute. See S.C. Coastal Conservation League v. Pruitt, No. 18-

330, 2018 WL 2184395, at *6 (D.S.C. May 11, 2018) (holding that a specific community's "particularized interest" in an action is not nullified by the existence of other plaintiffs elsewhere who may bring suit in another jurisdiction for the same harm); Dkt. Nos. 42-1, 42-2, 42-3, 42-4, 42-5, 42-6.

Furthermore, while Defendants contend that convenience favors transfer, this overlooks specific attributes of this case which impact the convenience analysis. Dkt. No. 41 at 1-2; see generally Dkt. No. 1. As noted by Clover, this is an APA and administrative review action, significantly mitigating concerns about the convenience of the parties, burden on witnesses, and ability to gather evidence. Dkt. No. 1 ¶¶ 232-265; Dkt. No. 42 at 4, 13. This is because the "focal point for judicial review of an administrative agency's action should be the administrative record," rather than the district court's own investigation. Pres. Endangered Areas of Cobb's History, Inc. v. U.S. Army Corps of Eng'rs., 87 F.3d 1242, 1246 (11th Cir. 1996) (citations omitted); see also Melendez v. Sec., Dep't of Homeland Sec., 215 F. Supp. 3d 1266, 1268 (M.D. Fla. 2015). The district court's role in such cases is "to decide, *on the basis of the record the agency provides*, whether the action passes muster under the appropriate APA standard of review." Pres. Endangered Areas of Cobb's History, 87 F.3d at 1246 (emphasis added) (quoting Fla. Power & Light Co. v. Lorion, 470 U.S. 729, 744 (1985)).

The Court's role in administrative review matters like this—where, as explained by Clover, “there will be no discovery, depositions, or trial,” dkt. no. 42 at 4—greatly neutralizes the impact of the first five Manuel factors—all of which touch on convenience-based considerations. 430 F.3d at 1135 n.1; see also Pruitt, 2018 WL 2184395, at *5 (conducting a similar analysis of forum's convenience in EPA administrative review action). This is important because sister courts within this circuit have indicated that any “[n]eutral factors ultimately weigh against transfer when the presumption for the plaintiff's choice of forum is applied.”¹ Sterling v. Provident Life & Acc. Ins. Co., 519 F. Supp. 2d 1195,

¹ To the extent the action may still be inconvenient in this forum despite this being an APA action, the Court notes that both Plaintiff and Defendants are impacted by this: Defendants reside or perform their official duties outside of the Southern District of Georgia, dkt. no. 41 at 2, and some of Clover's private counsel are based in Washington, D.C., dkt. no. 42 at 25. But while some of Clover's counsel are out of state, Clover also has local counsel. Dkt. No. 42 at 25. Regarding Defendants' residence outside of this District, the fact that a federal agency and its employees operate primarily out of Washington, D.C., is not enough to warrant transfer there. This is because, in passing the venue provision governing suits against United States officials in their official capacities and suits against federal agencies, Congress intended to “broaden the venue of civil actions which could previously have been brought only in the District of Columbia.” Schlanger v. Seamans, 401 U.S. 487, 490 n.4 (1971); see also Dkt. No 40 at 13 (citing Seamans, 401 U.S. at 490). It would contradict that congressional intent if an action could be transferred back to Washington, D.C., based solely on the fact that a federal official or agency is based there. In light of this, this action may be somewhat inconvenient for Defendants in the present forum, but this does very little to outweigh the importance assigned to Clover's choice of forum. Harrington, 2008 WL 2019563, at *2 (citing Matlock, 2007 WL 4287601, at *2).

1208 (M.D. Fla. 2007). The result is further support for Clover's arguments against transfer, which is particularly important because the "convenience of witnesses" factor "may be *the single most important factor* to consider on a motion to transfer under § 1404(a)." Payne, 2019 WL 1522887, at *2 (quoting Augusta Nat'l, Inc. v. Green Jacket Auctions, Inc., No. CV 117-096, 2018 WL 797434, at *5 (S.D. Ga. Feb. 8, 2018)).

Finally, Defendants contend that Clover's interest in expedited resolution of this matter would be better served if this case were transferred. Dkt. No. 41 at 1-2. In support of their argument that the District of Columbia will be an efficient forum, Defendants point to "Clover's representation about district court caseloads," dkt. no. 41 at 2, which was included in Clover's response to Defendants' motion to dismiss or transfer, dkt. no. 22 at 17. In short, in that response brief, Clover noted that the District Court for the District of Columbia "has the fewest pending cases per judgeship of any of the districts that Defendants identify." Dkt. No. 22 at 17. Clover places great emphasis on efficiency in the instant matter due to the fast-approaching deadline for it to submit its annual "bid" to participate in the Medicare Advantage Program—a bid which would be impacted by any changes to bonus payments made by Defendants pursuant to judicial decision-making. Dkt. No. 23 ¶¶ 2, 6; Dkt. No. 40 at 39 (this Court's March 18, 2026 Order explaining this expedited schedule in

greater detail).

Predictions about how quickly a case will be resolved by a transferee court are highly speculative and do not, standing alone, justify transfer to an entirely new forum. See In re Genentech, Inc., 566 F.3d 1338, 1347 (Fed. Cir. 2009) (noting that the Section 1404(a) court-congestion factor “appears to be the most speculative”). In fact, where both districts have busy dockets, “minor difference[s]” between their respective congestion “do[] not substantially weigh in favor of transfer.” Hall v. Buschle, No. 22-cv-3760, 2023 WL 3666866, at *4 (N.D. Ga. May 25, 2023). Regarding the case against transfer, though, this Court has noted that a district court’s “close familiarity with the facts of [a] case” can provide additional reason to keep a case in its original forum, especially when the case has already generated a great deal of docket entries. Roether v. Georgia, No. 221-CV-083, 2022 WL 1477436, at *6 (S.D. Ga. May 10, 2022) (“[T]his case has already generated over 200 docket entries, indicating that the interests of trial efficiency will be best served by maintaining this case’s venue in the Southern District of Georgia due to this Court’s close familiarity with the facts of this case.”), aff’d, No. 22-13731, 2024 WL 358121 (11th Cir. Jan. 31, 2024).

As noted by Clover, this Court is already familiar with the facts of this matter, the complex regulatory and statutory landscape governing the Star Rating system, and Clover’s reasons

for requesting expedited resolution. See Dkt. No. 40 at 2-8. This case has also generated over fifty docket entries, and each of the parties' motions and filings thus far have been governed by this Court's Local Rules on format, filing, and timeliness. This includes Clover's motion for summary judgment, dkt. no. 34, and Defendants' cross-motion for summary judgment, dkt. no. 51, both of which are presently pending before the Court. Given this Court's familiarity with this action, the present procedural posture, and Clover's requests to expedite adjudication, the Court holds that maintaining the present forum favors efficient resolution of this matter and would allow Clover to avoid any administrative delays which may stem from transfer. See Dkt. No. 42 at 19-21 (highlighting potential administrative delays); Dkt. No. 23. In sum, the balance of considerations does not warrant this Court using its discretion to *sua sponte* transfer this case to the District of Columbia under 28 U.S.C. § 1404(a).

CONCLUSION

Based on the considerations governing the present transfer analysis, alongside the parties' responses to this Court's Order to Show cause, dkt. nos. 40, 41, 42, the Court holds that it would be improper to *sua sponte* transfer this matter to the United States District Court for the District of Columbia under 28 U.S.C. § 1404(a). As such, this case will remain in the Southern District of Georgia.

SO ORDERED this 6th day of May, 2026.



HON. LISA GODBEY WOOD, JUDGE
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF GEORGIA