

**UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT**

GUARDIAN FLIGHT, LLC, *et al.*,

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Plaintiffs,

§

§

v.

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Civil Action No. 3:24-cv-00680-MPS

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AETNA LIFE INSURANCE

§

COMPANY, *et al.*,

§

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Defendants.

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**AETNA’S SUPPLEMENTAL BRIEF ON THE SECOND CIRCUIT’S
EAST COAST OPINION**

As ordered (ECF No. 406), Defendants Aetna Health Inc., Aetna Life Insurance Co., and Aetna Health and Life Insurance Co. (collectively, “Aetna”) file this brief to address the impact of *East Coast Advanced Plastic Surgery, LLC v. Cigna Health & Life Insurance Co.*, No. 25-2204, ___ F.4th ___, 2026 WL 2751786 (2d Cir. Sept. 17, 2026), on the issues in this case.

East Coast is dispositive of the claims remaining in this case. The Second Circuit’s declaration that there is no private right of action under the No Surprises Act (NSA), and its recognition that the NSA’s administrative enforcement scheme is exclusive, forecloses any argument that a provider can seek judicial enforcement of IDR awards through the NSA or ERISA. Fundamentally, *East Coast* disagrees with the interlocutory ruling in this case that “there is a distinction between enforcing a ruling made by an IDR entity and reviewing it.” Ruling on Mot. to Dismiss Counterclaims (ECF No. 389) at 11; *see Guardian Flight LLC v. Aetna Life Ins. Co.*, 789 F. Supp. 3d 214, 227–28 (D. Conn. 2025). Plaintiffs cannot use state law claims to end-run around the lack of a private right of action under the NSA and the NSA cannot be supplemented

or supplanted by additional state-law penalties. In consequence, Aetna's pending motion for summary judgment (ECF No. 358) should be granted.

The Second Circuit's Opinion

In *East Coast*, a provider “won more than \$3 million in IDR awards against health-plan administrator Cigna, which Cigna did not pay.” 2026 WL 2751786, at *1. Cigna sued and the provider countersued, alleging claims against Cigna under the NSA; the Declaratory Judgment Act; the Connecticut Unfair Trade Practices Act (CUTPA); and “under a state-law breach of contract theory.” *E. Coast Advanced Plastic Surgery, LLC v. Cigna Health & Life Ins. Co.*, No. 25 CIV. 1686 (PAE), 2025 WL 2371537, at *1 (S.D.N.Y. Aug. 14, 2025), *aff'd*, No. 25-2204, 2026 WL 2751786 (2d Cir. Sept. 17, 2026). The district court granted Cigna's motion to dismiss, dismissing the provider's federal-law claims and declining to exercise supplemental jurisdiction over its state-law claims. *Id.* at *18–20.

The Second Circuit affirmed, “join[ing] the Fifth Circuit in holding that the NSA does not imply a private right of action to enforce IDR awards.” 2026 WL 2751786, at *4 (citing *Guardian Flight, L.L.C. v. Health Care Serv. Corp.*, 140 F.4th 271, 274–77 (5th Cir. 2025)). The Second Circuit found the “text and structure of the NSA make clear that it does not provide a private right of action to enforce payment awards obtained through the NSA's IDR process.” *Id.* at *1. Instead, the NSA “delegates enforcement authority to multiple federal agencies and to states” in an “interlocking federal and state administrative scheme.” *Id.* at *1, 5.

Specifically, “Congress expressly provided for DOL and Treasury to enforce IDR awards entered against private employer-sponsored group health plans, for HHS to enforce awards against state and local governmental group health plans, and for states to enforce awards against health insurance issuers.” *Id.* at *5–6 (explaining the statutory scheme). “This statutory scheme makes clear that Congress did not intend to authorize private lawsuits to enforce IDR awards.” *Id.*; *see*

id. at *1 (“This statutory scheme reflects Congress’s intent that the NSA, including payment of IDR awards, be enforced through administrative action rather than private litigation.”).

The Second Circuit “thus conclude[d] that the NSA does not create an implied private right of action to enforce payment awards obtained through the IDR process.” 2026 WL 2751786, at *7. In a footnote accompanying this conclusion, the Second Circuit ruled that it “need not decide” Cigna’s argument that the “term ‘judicial review’ encompasses lawsuits seeking to confirm or enforce a dispute resolution award.” *Id.* at *7 n.13 (citation modified). This is because, “[a]ssuming without deciding that the judicial review bar does not preclude [appellants’] lawsuit, that fact alone is not ‘a clear manifestation of congressional intent to create a private cause of action.’” *Id.* (quoting *Lopez v. Jet Blue Airways*, 662 F.3d 593, 596 (2d Cir. 2011)). Accordingly, the Second Circuit recognized that a private right of action is a prerequisite for litigation to enforce an IDR award. *See id.*

Argument

Plaintiffs are pursuing three claims against Aetna: (1) a claim under the NSA to enforce their IDR awards; (2) a claim under ERISA § 502(a)(1)(B), 29 U.S.C. § 1132(a)(1)(B), to enforce their IDR awards; and (3) a CUTPA claim regarding the IDR proceedings and the timely payment of IDR awards. *Guardian Flight LLC*, 789 F. Supp. 3d at 225–39. All three claims are irreconcilably in conflict with the Second Circuit’s opinion in *East Coast*, under which Plaintiffs have no judicially enforceable claim against Aetna.

A. NSA claim

This Court previously held that Plaintiffs have an NSA claim because “the NSA creates a private cause of action to enforce IDR awards.” *Guardian Flight LLC*, 789 F. Supp. 3d at 225–29; *see* Ruling on Mot. to Dismiss Counterclaims (ECF No. 389) at 10–11. The Second Circuit has

squarely disagreed with this holding: Congress did not “authorize private lawsuits to enforce IDR awards.” *E. Coast*, 2026 WL 2751786, at *6.

East Coast renders irrelevant the question of whether or not the Court is correct that a party can seek judicial enforcement of an IDR award without “judicial review” of the award. The Second Circuit’s opinion establishes that a private right of action is a prerequisite **regardless** of whether or not the NSA’s “judicial review bar” applies to a lawsuit seeking enforcement of an IDR award. *E. Coast*, 2026 WL 2751786, at *7 n.13 (affirming dismissal of NSA claim for lack of a private right of action even “[a]ssuming without deciding that the judicial review bar does not preclude [appellants’] lawsuit”).

The Second Circuit’s opinion thus disagrees with *Agag v. Cigna Health & Life Ins. Co.*, No. 3:25-CV-00498 (SRU), 2026 WL 1021213, at *9 (D. Conn. Apr. 15, 2026), in which the district court reasoned that judicial confirmation is “purely ministerial” and so no private right of action is necessary to order confirmation. Under *East Coast*, a private right is a prerequisite regardless of whether or not the requested judicial action is ministerial. *See also True N. Med. of Suffolk, P.C. v. Aetna Inc.*, No. 26-cv-3110 (KAM)(ARL), ECF No. 18 at 7-9 (E.D.N.Y. Sept. 16, 2026) (rejecting *Agag*, concluding that the NSA “does not permit a court to confirm an IDR award as a ministerial act,” and granting motion to dismiss) (attached as Ex. A).

Put another way, “[t]he question of what remedies are available under a statute that provides a private right of action is analytically distinct from the issue of whether such a right exists in the first place.” *Conn. Gen. Life Ins. Co. v. E. Coast Advanced Plastic Surgery, LLC*, No. 25 CIV. 1686 (PAE), 2026 WL 518442, at *7 (S.D.N.Y. Feb. 24, 2026) (quoting *Franklin v. Gwinnett Cnty. Pub. Schs.*, 503 U.S. 60, 65–66 (1992)). “Thus, in assessing a claim brought under a federal statute, [a court] must engage in a two-step analysis. [It] first must determine whether the statute creates a private right of action. Only if that question is answered in the affirmative does

the [c]ourt reach the second step, which requires it to assess the available remedies for violations of that right.” *Id.* (granting motion to dismiss providers’ NSA counterclaim against Cigna).

The Second Circuit’s *East Coast* opinion establishes that Plaintiffs’ NSA claim fails at the first step. It is therefore not necessary to reach the second step: whether or not judicial enforcement of an IDR award is prohibited “judicial review.” Thus, Aetna is entitled to summary judgment on Plaintiffs’ NSA claim.

B. ERISA claim

East Coast also entitles Aetna to judgment on Plaintiffs’ ERISA § 502(a)(1)(B) claim. “Taken together,” the NSA’s “interlocking federal and state administrative” enforcement mechanisms reflect ‘Congress’s policy choice to enforce the [NSA] through administrative’ action, ‘not a private right of action.’” *E. Coast*, 2026 WL 2751786, at *5–6 (quoting *Guardian Flight*, 140 F.4th at 277). “Congress expressly provided for DOL and Treasury to enforce IDR awards entered against private employer-sponsored group health plans, for HHS to enforce awards against state and local governmental group health plans, and for states to enforce awards against health insurance issuers.” *Id.* “‘The express provision of one method of enforcing a substantive rule suggests that Congress intended to preclude others.’” *Id.* at *6 (quoting *Alexander v. Sandoval*, 532 U.S. 275, 290 (2001)).

In drafting both the NSA and ERISA, it is counterintuitive that Congress intended to take a private right of action with one hand and give it right back with the other. “Congress does not ordinarily enact self-defeating statutes.” *Exxon Mobil Corp. v. Corporacion Cimex, S. A. (Cuba)*, 609 U.S. 108, 120 (2026) (“And more specifically, Congress does not ordinarily authorize a suit against a sovereign with one hand, only to bar it with the other.” (citation modified)). Rather, the NSA’s exclusive administrative enforcement mechanisms preclude using ERISA § 502(a)(1)(B) as an alternative or additional means of judicial enforcement.

East Coast confirms the correctness of Aetna’s summary judgment argument that “Plaintiffs cannot use ERISA § 502(a)(1)(B) to circumvent the NSA’s regulatory enforcement regime established in 29 U.S.C. §§ 1185f(b)(5)(D) and 1185e(c)(5)(E).” Aetna’s Mot. for Summ. J. (ECF No. 360) at 24. Aetna is therefore entitled to summary judgment on Plaintiffs’ ERISA claim as well.

C. CUTPA claim

Lastly, *East Coast*’s holding that the NSA does not provide a private right of action forecloses Plaintiffs’ state law-based claims under the end-run doctrine, because existence of a private right is a threshold prerequisite. Bound by its choice of IDR, Plaintiffs may not rewrite the statutory remedies, laundering its IDR claims through common law to evade the NSA’s lack of a private right of action. That disposes of Plaintiffs’ CUTPA claim here.

“[A]bsence of a private right to enforce . . . statutory . . . obligations would be rendered meaningless if . . . entities could overcome that obstacle by suing to enforce [them]” at common law. *Astra USA, Inc. v. Santa Clara Cnty., Cal.*, 563 U.S. 110, 118 (2011). If “no private right of action exists under the relevant statute . . . [then] plaintiffs’ efforts to bring their claims as state common-law claims are clearly an impermissible ‘end run’ around the [statute]” and must be dismissed. *Grochowski v. Phoenix Constr.*, 318 F.3d 80, 86 (2d Cir. 2003); *see also Broder v. Cablevisions Sys. Corp.*, 418 F.3d 187, 199 (2d Cir. 2005) (prohibiting plaintiffs from “circumvent[ing] . . . lack of a private right of action”).

In *Astra*, plaintiffs alleged defendant breached contract clauses incorporating provisions of a statute that lacked a private right of action. 563 U.S. at 113. The Supreme Court rejected the claim as “in substance one and the same” as suing to enforce the statute directly. *Id.* at 114. Recognizing that “any private right of action for violating a federal statute . . . must ultimately rest on congressional intent to provide a private remedy,” the Supreme Court reasoned that suing to

enforce the contract “is in essence a suit to enforce the statute itself.” *Id.* at 117–18. The lack of a statutory private right of action “would be rendered meaningless” if that were allowed. *Id.*

Several district courts have explained how this axiom applies to the NSA. *See Cal. Spine & Neurosurgery Institute v. Microsoft Corp.*, No. 26-CV-04326-NC, 2026 WL 2868550, at *8–9 (N.D. Cal. Sept. 23, 2026) (dismissing state-law causes of action, including unfair competition claim, because provider “may not use state law to invent a right of action that the NSA does not provide”); *Jefferson Med. Surgery, P.C. v. United Healthcare Ins. Co.*, No. 26-cv-1798 (NJ) (JMW), ECF No. 24 at 13–14 (E.D.N.Y. Sept. 17, 2026) (Report and Recommendation) (“Because no private right of action exists under the relevant statute, Plaintiff’s efforts to bring its claims as state common-law claims are clearly an impermissible ‘end run’ around the NSA.” (citation modified)) (attached as Ex. B); *SpecialtyCare Inc. v. Meritain Health, Inc.*, No. CV 25-198-MN, 2026 WL 353259, at *4 (D. Del. Feb. 9, 2026) (Report and Recommendation), *adopted*, 2026 WL 745341 (D. Del. Mar. 17, 2026), *appeal pending*, No. 26-1864 (3d Cir.) (holding that plaintiffs could not circumvent Congress’ omission of a private right of action in the NSA by seeking to enforce a federal right under a state law theory); *see also* Aetna’s Mot. for Summ. J. (ECF No. 360) at § IV.C.1. Plaintiffs cannot circumvent Congress’s choice to forgo judicial enforcement, so their CUTPA claim to enforce the IDR determinations must be dismissed.

Additionally, or alternatively, Plaintiffs’ CUTPA claim is preempted under the NSA. This Court previously limited Plaintiffs’ relief to Aetna’s alleged “failure to timely pay IDR awards.” *Guardian Flight LLC*, 789 F. Supp. 3d at 235.¹ The Court initially reasoned that the NSA did not preempt Plaintiffs’ CUTPA claim because it found that imposing state law penalties “would not

¹ The Court correctly held that Plaintiffs’ “claims based on [Aetna’s] initial payments would be preempted.” *Guardian Flight LLC*, 789 F. Supp. 3d at 235 n.10. In so holding, the Court barred Plaintiffs’ CUTPA claims premised on Aetna allegedly (1) making “unreasonably low initial payments,” and (2) not attempting to negotiate “in good faith” during the Open Negotiation Period. *See* Aetna’s Mot. for Summ. J. (ECF No. 360) at 26.

create any obstacles to the NSA’s purposes and objectives, as untimely payments are already proscribed by the NSA,” and “could help to ensure that parties comply with the NSA’s payment obligations and refrain from engaging in unfair practices to circumvent these provisions.” *Id.* at 236. However, this conclusion was premised on the now defunct reasoning that “there are no [administrative] enforcement mechanisms” or remedies available for unpaid IDR awards. *Id.* at 228–29 (citation omitted); *see id.* at 236. Indeed, the Second Circuit explained at length in *East Coast* that “Congress created in the NSA a comprehensive regulatory framework for setting up and enforcing the IDR process.” *E. Coast*, 2026 WL 2751786, at *5.

Given this interlocking federal and state administrative enforcement scheme, imposing state law penalties **would** create “obstacles to the NSA’s purposes and objectives.” *Guardian Flight LLC*, 789 F. Supp. 3d at 235. The NSA’s administrative enforcement mechanisms are exclusive, leaving no place for courts to consider and impose state penalties for any reason, including to “help to ensure that parties comply with the NSA’s payment obligations and refrain from” circumvention. *Id.* at 236. Allowing Plaintiffs’ CUTPA claim for failure to timely pay IDR awards would be inconsistent with the NSA’s scheme. Accordingly, the Second Circuit’s *East Coast* opinion supports a finding that the NSA preempts Plaintiffs’ CUTPA claim.²

Conclusion

East Coast controls and definitively establishes that Plaintiffs’ exclusive avenue for relief against Aetna regarding the IDR awards at issue is through the statutorily-mandated administrative enforcement channels. For these reasons, the Court should grant Aetna’s pending motion for summary judgment (ECF No. 358).

² *See also Glover v. Bausch & Lomb, Inc.*, 275 A.3d 168, 177, 196–97 (Conn. 2022) (recognizing that a claim under Connecticut law “may be impliedly preempted when the state law claim is in substance (even if not in form) a claim for violating [a federal law]—that is, when the state claim would not exist if the [federal law] did not exist,” and holding that exclusivity provision in state product liability act barred CUTPA claim).

Respectfully Submitted,

By: /s/ M. Katherine Strahan

John B. Shely (*admitted pro hac vice*)

Texas State Bar No. 18215300

jshely@hicks-thomas.com

M. Katherine Strahan (*admitted pro hac vice*)

Texas State Bar No. 24013584

kstrahan@hicks-thomas.com

Laura Trenaman (*admitted pro hac vice*)

Texas State Bar No. 00798553

ltrenaman@hicks-thomas.com

Jessica N. Wahl (*admitted pro hac vice*)

Texas State Bar No. 24102618

jwahl@hicks-thomas.com

HICKS THOMAS LLP

700 Louisiana St, Suite 2300

Houston, Texas 77002

(713) 547-9100

(713) 547-9150 (Fax)

Kevin P. Daly (ct30380)

kpdaly@rc.com

Adam J. Pettitt (ct32021)

apettitt@rc.com

ROBINSON & COLE LLP

One State Street

Hartford, CT 06103

(860) 275-8200

(860) 275-8299 (Fax)

ATTORNEYS FOR DEFENDANTS

**AETNA HEALTH INC., AETNA LIFE INSURANCE
COMPANY INC. AND AETNA HEALTH AND LIFE
INSURANCE CO.**

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was filed electronically on September 28, 2026. Notice of this filing will be sent by operation of the Court's electronic filing system to all parties indicated on the electronic filing receipt.

/s/ M. Katherine Strahan

M. Katherine Strahan

EXHIBIT A
TO AETNA'S SUPPLEMENTAL BRIEF
ON THE SECOND CIRCUIT'S
***EAST COAST* OPINION**

United States District Court
Eastern District of New York

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TRUE NORTH MEDICAL OF SUFFOLK, P.C.
and KEVIN MULLINS, MD, P.C.,

Petitioners,

Memorandum & Order

No. 26-CV-3110 (KAM) (ARL)

- against -

AETNA, INC.; AETNA HEALTH, INC.; and
AETNA LIFE INSURANCE COMPANY,

Respondents.

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Kiyo A. Matsumoto, United States District Judge:

Petitioners True North Medical of Suffolk, P.C. and Kevin Mullins, M.D., P.C. ("Petitioners") filed a complaint under Section 9 of the Federal Arbitration Act ("FAA"), 9 U.S.C. § 9, against Respondents Aetna, Inc., Aetna Health, Inc., and Aetna Life Insurance Company ("Aetna") seeking a judicial confirmation of Petitioners' Independent Dispute Resolution award for out-of-network healthcare services provided. On July 21, 2026, the Court entered an Order to Show Cause as to why this action should not be dismissed for lack of subject-matter jurisdiction. Both parties responded to the Court's Order to Show Cause. For the reasons provided below, the Court, pursuant to Federal Rule of Civil Procedure 12(h)(3), finds that it lacks subject-matter

jurisdiction over this action and dismisses the complaint without leave to amend.

BACKGROUND

Petitioners commenced this action on May 22, 2026, by filing a complaint against Aetna. (ECF No. 1, Complaint ("Compl.")). The complaint alleges that Aetna failed to make payments in compliance with binding awards issued under the No Surprises Act ("NSA"), 42 U.S.C. §§ 300gg-111 et seq., after an Independent Dispute Resolution ("IDR") process. (Compl. ¶¶ 1-5, 16-18.) Petitioners allege that they attempted other methods to "facilitate compliance" by Aetna before commencing this action, but those efforts were allegedly unsuccessful. (Compl. ¶¶ 19-20.) The complaint, therefore, asserts one cause of action under Section 9 of the Federal Arbitration Act ("FAA"), 9 U.S.C. § 9, to confirm the IDR award. (Compl. ¶¶ 21-25.) Petitioners also filed a motion to enforce the IDR award on May 22, 2026. (ECF No. 3, Motion to Enforce Judgment.)

On July 21, 2026, however, the Court entered an order to show cause as to why this action should not be dismissed for lack of jurisdiction following the Supreme Court's decision in *Badgerow v. Walters*, 596 U.S. 1, 5, 12 (2022), finding that Section 9 of the FAA does not independently confer federal jurisdiction. (Order to Show Cause dated 07/21/2026). Petitioners timely filed their response to the order to show cause on July 28, 2026, (ECF No. 14,

Petitioners' Response to Order to Show Cause ("Pet'rs.' Resp.")), and Aetna, after receiving an extension, timely filed its response on August 18, 2026. (ECF No. 16, Respondents' Response to Order to Show Cause ("Resp't Resp.")).

LEGAL STANDARD

Article III of the Constitution limits federal courts' jurisdiction to "Cases" and "Controversies." U.S. CONST., art. III, § 2. In order to adjudicate a "case" or "controversy," a court must exercise subject-matter jurisdiction over the action. "If subject matter jurisdiction is lacking, the action must be dismissed." *Lyndonville Sav. Bank & Tr. Co. v. Lussier*, 211 F.3d 697, 700-01 (2d Cir. 2000) (citing *Bender v. Williamsport Area Sch. Dist.*, 475 U.S. 534, 541, 106 S.Ct. 1326, 89 L.Ed.2d 501 (1986) and *United Food & Commercial Workers Union, Local 919 v. CenterMark Properties Meriden Square, Inc.*, 30 F.3d 298, 301 (2d Cir. 1994)). Indeed, a court has a duty to raise the issue of subject-matter jurisdiction *sua sponte* even if neither party has raised the issue. Fed. R. Civ. P. 12(h)(3); *Durant, Nichols, Houston, Hodgson & Cortese-Costa P.C. v. Dupont*, 565 F.3d 56, 62 (2d Cir. 2009) (citing *Louisville & Nashville R.R. v. Mottley*, 211 U.S. 149, 152, 29 S.Ct. 42, 53 L.Ed 126 (1908)). "A federal court's lack of subject matter jurisdiction is not waivable by the parties, and [the court] must address jurisdictional questions before reaching the merits." *Holt v. Town of Stonington*, 765 F.3d

127, 130 (2d Cir. 2014) (quoting *Leveraged Leasing Admin. Corp. v. PacifiCorp Capital, Inc.*, 87 F.3d 44, 47 (2d Cir. 1996)).

A plaintiff may assert federal subject-matter jurisdiction by bringing a cause of action “arising under” federal law, such as a federal statute. 28 U.S.C. § 1331. If that statute, however, does not confer a private right of action, then a private party cannot avail itself of a federal court’s jurisdiction under that statute. *Angela Cummings, Inc. v. Purolator Courier Corp.*, 670 F. Supp. 92, 94 (S.D.N.Y. 1987) (citing *Merrell Dow Pharm., Inc. v. Thompson*, 478 U.S. 804, 812, 106 S.Ct. 3229, 3234, 92 L.Ed.2d 650 (1986)).

ANALYSIS

I. No Surprises Act Statutory Background

In December 2020, Congress passed the No Surprises Act “to address the issue of patients facing unexpected—and often exceedingly large—medical bills after they receive treatment from out-of-network providers.” *Neurological Surgery Practice of Long Island, PLLC v. United States Dep’t of Health and Human Services*, 145 F.4th 212, 219 (2d Cir. 2025). The NSA “prohibits out-of-network health care providers from billing healthcare plan members directly for certain items or services.” *Id.* (citation omitted). “A provider must instead seek compensation from the patient’s healthcare plan.” *Id.*; 42 U.S.C. §§ 300gg-111(b)(1)(C)–(D). After receiving the payment request, the healthcare plan must send an

initial payment or issue a notice of claim denial within 30 calendar days. 42 U.S.C. § 300gg-111(a)(1)(C)(iv)(I). If the out-of-network provider disagrees with the payment amount or the denial of the claim, it may “initiate open negotiations” with the healthcare plan to determine an agreed upon amount for the provider’s services within the 30-day period beginning on the day that the provider receives the initial payment or claim denial. *Id.* § 300gg-111(c)(1).

If the provider and the plan fail to reach an agreement during the open negotiations, either party may, during the 4-day period starting on the day after the open negotiations period, “initiate the independent dispute resolution process.” *Id.* § 300gg-111(c)(1)(B). Within 10 days of a certified IDR entity being selected, the parties must submit their compensation proposals to the IDR entity, and the IDR entity “must then render a decision choosing one of the proposals within 30 days.” *Neurological Surgery*, 145 F.4th at 219 (citing 42 U.S.C. §§ 300gg-111(c)(5)(A)–(B)). The IDR entity’s decision is binding subject to a limited judicial review under four provisions of Section 10 of the FAA, as described below. *Id.* § 300gg-111(c)(5)(E)(i); 9 U.S.C. § 10(a)(1)–(4). If the IDR entity decides in the provider’s favor, then the plan must pay any additional compensation within 30 days of the decision. *Id.* § 300gg-111(c)(6).

The NSA also “empowers the Secretary of Health and Human Services, the Secretary of Labor, and the Secretary of the Treasury to oversee much of the [IDR] process.” *Agag v. Cigna Health and Life Ins. Co.*, No. 3:25-CV-00498 (SRU), 2026 WL 1021213, *3 (D. Conn. Apr. 15, 2026) (citing 42 U.S.C. § 300gg-111(c)(2)(A)). Indeed, the NSA directs the Secretary of Health and Human Services, “in consultation with the Secretary of Labor and Secretary of the Treasury,” to “establish a process to certify (including to recertify) [IDR] entities.” *Id.* § 300gg-111(c)(4)(A). Further, the NSA authorizes the Department of Health and Human Services (“HHS”) to impose civil monetary penalties on a health plan if the health plan fails to pay the IDR award to the provider within 30 days of the IDR entity’s determination. *Id.* § 300g-22(b).

If HHS assesses a penalty, “[t]he entity assessed shall be afforded an opportunity for hearing by the Secretary upon request made within 30 days after the date of the issuance of a notice of assessment.” *Id.* § 300gg-22(b)(2)(D). “[A]ny entity against whom an order imposing a civil money penalty has been entered after an agency hearing...may obtain review by the United States district court for any district in which such entity is located or the United States District Court for the District of Columbia by filing a notice of appeal in such court within 30 days of such order, and simultaneously sending a copy of such notice by registered mail to the Secretary.” *Id.* § 300gg-22(b)(2)(E). “Any final decision,

order, or judgment of the district court concerning such review shall be subject to appeal as provided in chapter 83 of Title 28.” *Id.* § 300gg-22(b)(2)(E)(iv).

HHS must also establish “a process to receive complaints of violations” of the NSA. 42 U.S.C. § 300gg-111(a)(2)(B)(iv). HHS has, therefore, created a “No Surprises Help Desk,” which is administered by the Center for Medicare and Medicaid Services (“CMS”). See *No Surprises Act: How to Get Help and File a Complaint*, Center for Medicare and Medicaid Services (Aug. 2023), <https://www.cms.gov/files/document/nsa-helpdesk.pdf>. Providers may also submit complaints to CMS by phone or an online complaint. See *Providers: submit a billing complaint*, Center for Medicare and Medicaid Services (Feb. 4, 2026), <https://www.cms.gov/nosurprises/policies-and-resources/providers-submit-a-billing-complaint>.

II. Whether Confirmation of an IDR Award is a Ministerial Act or Judicial Review

Despite NSA’s statutory and administrative scheme, Petitioners rely on the decision in *Agag* opining that confirming an IDR award is a ministerial act rather than an act of judicial review. (Pet’rs’ Resp. at 5-7); *Agag v. Cigna Health and Life Ins. Co.*, No. 3:25-CV-00498 (SRU), 2026 WL 1021213, at *9-10 (D. Conn. Apr. 15, 2026). Following the reasoning of *Agag*, which is not binding on this Court, Petitioners argue that courts perform

a ministerial act when confirming an IDR award because confirming an IDR award does not require a court to evaluate the merits of the IDR entity's decision and enforce substantive rights. (Pet'rs' Resp. at 5-7.) Rather, Petitioners argue that a court merely enters a judgment for an earlier binding determination. (*Id.* at 6.) The *Agag* court further reasoned that confirming an IDR award is not an act of judicial review because confirming an IDR award is analogous to confirming an arbitration award under Section 9 of the FAA and to confirming a foreign judgment under 28 U.S.C. § 1963. *Agag*, 2026 WL 1021213, at *10 (analogizing to the FAA); *Id.* at *10 n.2 (analogizing to 28 U.S.C. § 1963). This Court is not persuaded.

Petitioners (and the *Agag* court) do not identify a provision of the NSA that authorizes and instructs courts in mandatory language to confirm IDR awards and enter judgment. Indeed, Petitioners bring this action under Section 9 of the FAA, but Congress chose not to incorporate Section 9 of the FAA into the NSA, even though Congress chose to incorporate four paragraphs of Section 10 of the FAA into the NSA. See 42 U.S.C. § 300gg-111(c)(5)(E)(i)(II). Congress's decision to incorporate provisions from one section of the FAA and not to incorporate any of the FAA's other provisions "indicates [that] Congress did not intend to permit judicial confirmation of IDR awards." *T.V. Seshan M.D., P.C. v. Blue Cross Blue Shield Assoc.*, Nos. 25-CV-499 (CS),

25-CV-1255 (CS), 25-CV-1264 (CS), 25-CV-2049 (CS), 2025 WL 3496382, at *6 (S.D.N.Y. Dec. 5, 2025) (collecting cases and citing 5 U.S.C. § 580(c)). Moreover, this Court may not read parts of Section 9 of the FAA into the NSA. *Id.* (citing *Rotkiske v. Klemm*, 589 U.S. 8, 14 (2019)).

Congress, on the other hand, has provided authority with mandatory instructions for courts to confirm arbitration awards under the FAA and to register foreign judgments. See 9 U.S.C. § 9 ("If the parties in their agreement have agreed that a judgment of the court shall be entered upon the award made pursuant to the arbitration, and shall specify the court, then at any time within one year after the award is made any party to the arbitration may apply to the court so specified for an order confirming the award, and thereupon the court *must* grant an order unless the award is vacated, modified, or corrected as prescribed in sections 10 and 11 of this title."); 28 U.S.C. § 1963 ("A judgment so registered shall have the same effect as a judgment of the district court of the district where registered and may be enforced in like manner."). Congress did not include such language in the NSA, despite knowing how to do so. The NSA, therefore, does not permit a court to confirm an IDR award as a ministerial act.

III. Whether the No Surprises Act Confers Subject Matter Jurisdiction on Federal Courts

As previously noted, Petitioners bring this action under Section 9 of the FAA. Section 9 of the FAA, however, does not independently confer subject matter jurisdiction. *Badgerow v. Walters*, 596 U.S. 1, 4, 142 S.Ct. 1310, 212 L.Ed.2d 355 (2022) (“The [Federal Arbitration] Act’s authorization of a petition does not itself create jurisdiction. Rather, the federal court must have what we have called an ‘independent jurisdictional basis’ to resolve the matter.”) (quoting *Hall Street Associates, L.L.C. v. Mattel, Inc.*, 552 U.S. 576, 582, 128 S.Ct. 1396, 170 L.Ed.2d 254 (2008)); see also *Jeffrey Farkas, M.D., LLC v. Horizon Blue Cross Blue Shield of New Jersey*, 790 F. Supp. 3d 129, 133 (E.D.N.Y. 2025). To determine if an action brought under Section 9 has an independent jurisdictional basis, a court looks to “the face of the application itself.” *Badgerow*, 596 U.S. at 9. Here, the Court must find an independent jurisdictional basis on the face of Petitioners’ complaint asking for confirmation of its IDR award.

Petitioners argue that this action arises under federal law because (1) Petitioners’ right to relief is created by the NSA, (2) the NSA establishes a federal regime governing payment disputes between out-of-network providers and healthcare plans, and (3) the NSA directs federal agencies to implement regulations to govern the IDR process in its entirety. (Pet’rs’ Resp. at 10–11.) Aetna

states that it “takes no position on whether the Court lacks jurisdiction versus lacks authority to enforce [IDR] determinations under the federal No Surprises Act,” but submits an exhibit listing prior district court decisions on this issue. (Resp’t Resp. at 1); (ECF No. 16-1, Exhibit A to Aetna’s Response to the Order to Show Cause (“Ex. A”).) Thus, the Court only addresses Petitioners’ arguments.

Petitioners essentially argue that the NSA creates substantive rights in providers who have obtained an IDR award and therefore bestows a right for those providers to seek relief from federal courts. This argument is problematic in at least two ways. *First*, Section 9 of the FAA enforces written contract rights, but Petitioners are not seeking to enforce a written contract. See *Farkas*, 790 F. Supp. 3d at 135–36. The parties do not have a contract with each other, but instead entered an IDR process through a statutory and regulatory scheme. See 42 U.S.C. § 300gg-111(c)(2)(A) (establishing the IDR process); *Agag*, 2026 WL 1021213, at *8 (citing *Farkas*, 790 F. Supp. 3d at 136). Courts that have ruled in favor of providers seeking to confirm IDR awards through a federal court have ruled that Section 9 need not apply to the NSA because the IDR awards, unlike arbitration awards, are automatically binding. See e.g., *Guardian Flight LLC v. Aetna Life Ins. Co.*, 789 F. Supp. 3d 214, 227 (D. Conn. 2025). Assuming that Congress need not incorporate Section 9 because an IDR award

is automatically binding, that response does not state the appropriate body to enforce the IDR award. To answer that question, the Court assumes that the NSA provides Petitioners with substantive rights and looks to the remedial scheme provided by the NSA.

Second, assuming the NSA imbues Petitioners with substantive rights, the Supreme Court, has stated that “some remedial schemes foreclose a private cause of action to enforce even those statutes that admittedly create substantive private rights.” *Alexander v. Sandoval*, 532 U.S. 275, 290, 121 S.Ct. 1511, 1522, 149 L.Ed.2d 517 (2001) (citing *Middlesex County Sewerage Auth. V. Nat’l Sea Clammers Ass’n.*, 453 U.S. 1, 19–20, 101 S.Ct. 2615, 69 L.Ed.2d 435 (1981)). To be sure, Congress explicitly (1) directs group health plans and health insurance issuers to cover emergency services and to send an initial payment or notice of denial of payment to the healthcare provider no later than 30 calendar days after receiving a bill for the provider’s services, 42 U.S.C. §§ 300gg-111(a)(1)(A)–(C); (2) binds both parties to the IDR entity’s determination absent fraud or evidence of misrepresentation of facts, 42 U.S.C. § 300gg-111(c)(5)(E)(i)(I); and (3) requires the complying payment to be made directly to the provider no later than 30 days after the date on which the IDR determination is made. 42 U.S.C. § 300gg-111(c)(6). Such language may reasonably be interpreted to create a substantive right in a provider holding a

binding IDR award in its favor.¹ See *Axis Neuromonitoring, LLC v. Aetna Inc.*, 824 F. Supp. 3d 217, 224 (D. Conn. 2026).

This Court, however, agrees with the Axis court in finding that Congress used language showing its intent that the NSA be enforced by administrative agencies, not private parties. *Id.*; see also *T.V. Seshan*, 2025 WL 3496382, at *8 (S.D.N.Y. Dec. 5, 2025); *East Coast Adv. Plastic Surgery, LLC v. Cigna Health and Life Ins. Co.*, No. 25 Civ 255 (PAE), 25 Civ. 1686 (PAE), 2025 WL 2371537, at *17 (S.D.N.Y. Aug. 4, 2025); *PHI Health, LLC v. Health Care Serv. Corp.*, No. 25 C 12406 (CPK), 2026 WL 1802985, at *4 (N.D. Ill. June 23, 2026); *SpecialtyCare, Inc. v. Kaiser Found. Health Plan, Inc.*, No. 24-CV-09342-JST, 2026 WL 2043194, at *4 (N.D. Cal. July 15, 2026). Congress directs the HHS Secretary, in consultation with the Secretaries of Labor and the Treasury, to establish an audit process for qualifying payment amounts, 42 U.S.C. § 300gg-111(a)(2), to specify the contents of the notice that a party must submit to begin the IDR process, *id.* § 300gg-111(c)(1)(B), to establish the IDR process, *id.* § 300gg-111(c)(2), to articulate the process to certify (and recertify) and then select IDR entities, *id.* § 300gg-111(c)(4), to provide reports to

¹ The Court notes, however, that the NSA typically refers to the health plans rather than the out-of-network providers, and statutes do not confer an implied private right of action if they focus on the regulated person or entity rather than the individual protected. *FS Credit Opportunities Corp. v. Saba Capital Master Fund, Ltd.*, 608 U.S. 608, 609, 146 S.Ct. 1546, 225 L.Ed.2d 184 (2026) (quoting *Alexander v. Sandoval*, 532 U.S. 275, 289, 121 S.Ct. 1511 (2001)). The Court, therefore, emphasizes that it only assumes that the NSA provides substantive rights to out-of-network health providers.

Congress of the effects of certain IDR requests being suspended, *id.* § 300gg-111(c)(5)(E)(iv), and to publish information relating to the IDR process on the HHS's public website. *Id.* § 300gg-111(c)(7).

HHS is also empowered to enforce the NSA by imposing penalties on parties that do not comply with a binding IDR award. 42 U.S.C. § 300gg-22(b)(2). HHS may impose a maximum amount of \$100 per day on a party that has failed to comply with the IDR award payment. *Id.* § 300gg-22(b)(2)(C)(i). The statute enables the entity assessed by HHS to challenge the assessment through a system of administrative review and, once administrative remedies have been exhausted, a system of judicial review. *Id.* §§ 300gg-22(b)(2)(D)–(E). When the assessed entity pays the penalty, it makes the payment to the HHS Secretary. *Id.* § 300gg-22(b)(2)(G). Lastly, the HHS has established a “No Surprises Act Help Desk,” administered by CMS, to process complaints about violations of the NSA. *Id.* § 300gg-111(a)(2)(B)(iv).

Taken together, these provisions demonstrate that Congress intended the NSA to be administered and enforced by administrative agencies—primarily by HHS—and that federal courts should be involved only if a party believes that an IDR award should be vacated, not when a party seeks to enforce the IDR award. See 42 U.S.C. § 300gg-111(c)(5)(E)(i)(II); see also *FS Credit Opportunities Corp. v. Saba Capital Master Fund, Ltd.*, 608 U.S.

608, 616-17 (2026) (finding that the Investment Company Act does not confer an implied right of action in part because the SEC is the primary enforcer rather than private parties). Here, Aetna has not moved to vacate the IDR award and does not dispute that the IDR award is binding. Under the plain language of the NSA, therefore, Petitioners' IDR award is not subject to judicial review.

Petitioners, however, argue that Congress could not have intended for the administrative scheme to have precluded a private right of action because "a health insurance company that owes a large IDR award has every financial incentive to pay the daily penalty indefinitely rather than satisfy the award itself." (Pet'rs' Resp. at 7) (citing *Agag*, 2026 WL 1021213, at *13). But the NSA's enforcement structure is a policy choice of Congress that the courts may not rewrite. See *SpecialtyCare*, 2026 WL 2043194, at *4 ("a decision by Congress may be harsh and misguided, odd, or not wise, but that generally will not stop a court from enforcing it by its terms.") (quotation marks omitted (citing *United States v. Paulson*, 68 F.4th 528, 544-45 (9th Cir. 2023))). The administrative penalties may not be the most effective enforcement method, but "it is the method that Congress chose." *PHI Health, LLC v. Health Care Serv. Corp.*, No. 26 C 2954 (MFK), 2026 WL 2254879, at *5 (N.D. Ill. Aug. 5, 2026). Judicial

enforcement was not contemplated by Congress, as is clear from the statutory scheme.

IV. **Leave to Amend**

Leave to amend a complaint should be freely given “when justice so requires.” Fed. R. Civ. P. 15(a)(2). District courts may exercise their “sound discretion” to grant or deny leave. *Broidy Cap. Mgmt. LLC v. Benomar*, 944 F.3d 436, 447 (2d Cir. 2019) (quoting *Kim v. Kimm*, 884 F.3d 98, 105 (2d Cir. 2018)). Courts may properly deny leave to amend if amendment would be futile. *TechnoMarine SA v. Giftports, Inc.*, 758 F.3d 493, 505 (2d Cir. 2014) (quoting *McCarthy v. Dun & Bradstreet Corp.*, 482 F.3d 184, 200 (2d Cir. 2007)).

Petitioners request leave to file an amended complaint and assert that they can allege facts to establish that the Court may exercise either federal question jurisdiction arising under Section 502(a)(1)(B) of ERISA or diversity jurisdiction over this action. (Pet’rs’ Resp. at 15-16.) Either attempt, however, would be futile. Even if the Court exercised diversity jurisdiction over this action, as explained above, the Court cannot exercise judicial review unless a party is seeking to vacate the IDR award. Nor can the Court enforce the IDR award through ERISA because “general grants of jurisdiction may not be relied upon to expand a very specific statute that either grants or limits jurisdiction.” *Weisblum v. Prophase Labs, Inc.*, 88 F. Supp. 3d 283, 294-95

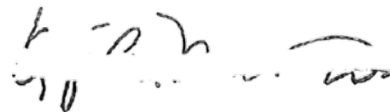
(S.D.N.Y. 2015) (quoting *Danilov v. Aguirre*, 370 F. Supp. 2d 441, 445 (E.D. Va. 2005) and citing *Radzanower v. Touche Ross & Co.*, 426 U.S. 148, 153, 96 S.Ct. 1989 (1976)); see also *Blue Cross Blue Shield Healthcare Plan of Georgia, Inc. v. Halomd, Inc.*, No. 1:25-CV-2919-TWT, 2026 WL 2017291, at *16 (N.D. Ga. July 10, 2026) (citing *Anthem Blue Cross Life and Health Ins. Co. v. HaloMD LLC*, No. 8:25-CV-01467-KES, 2026 WL 982629, at *10 (C.D. Cal. Apr. 9, 2026)). Petitioners' request for leave to file an amended complaint is therefore denied for futility.

CONCLUSION

For the reasons given above, the Court dismisses Petitioners' complaint for lack of subject-matter jurisdiction under Fed. R. Civ. P. 12(h)(3) and denies Petitioners' request for leave to file an amended complaint. Petitioners' motion to enforce judgment at ECF No. 3 is also denied as moot. The Clerk of Court is respectfully requested to enter judgment in favor of Respondents and close this case.

So ordered.

Dated: September 16, 2026
Brooklyn, New York



Kiyo A. Matsumoto
United States District Judge
Eastern District of New York

EXHIBIT B
TO AETNA'S SUPPLEMENTAL BRIEF
ON THE SECOND CIRCUIT'S
***EAST COAST* OPINION**

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

FILED
CLERK

9/17/2026

U.S. DISTRICT COURT
EASTERN DISTRICT OF NEW YORK
LONG ISLAND OFFICE

-----X
JEFFERSON MEDICAL SURGERY, P.C.,

Plaintiff,

**REPORT AND
RECOMMENDATION**

-against-

26-cv-01798 (NJC) (JMW)

UNITED HEALTHCARE INSURANCE COMPANY,

Defendant.

-----X
A P P E A R A N C E S:

Eric Schmidt
John Paul Stadler
Gottlieb and Greenspan
17-17 Route 208, Suite 250
Fair Lawn, NJ 07410
Attorneys for Plaintiff

Ethan M. Scapellati
Stradley Ronon Stevens & Young, LLP
2005 Market Street, Suite 2600
Philadelphia, PA 19103
Attorney for Defendant

WICKS, Magistrate Judge:

The question presented here is when an out-of-network health care provider renders patient services and later seeks reimbursement from the patient's healthcare plan in accordance

with the No Surprises Act (“NSA”), may the healthcare provider assert common-law claims for reimbursement when the healthcare plan refuses to pay amounts owed as determined by an independent dispute resolution (“IDR”) under the NSA?

Plaintiff Jefferson Medical Surgery, P.C. (“Jefferson” or “Plaintiff”) commenced this action against United Healthcare Insurance Company (“UHIC” or “Defendant”) following UHIC’s alleged refusal to pay amounts owed to Plaintiff pursuant to an IDR under the NSA. Plaintiff asserts no claim or cause of action under the NSA itself. Rather, upon UHIC’s refusal to pay as determined by the IDR, Plaintiff asserts state-law causes of action: (1) breach of express contract; (2) breach of implied covenant of good faith and fair dealing; (3) declaratory judgment; (4) account stated; (5) quantum meruit; (6) promissory estoppel; and (7) unjust enrichment.¹ (*See generally* ECF No. 1-1.)

Presently before the Court is Defendant’s motion to dismiss pursuant to Federal Rule of Civil Procedure 12(b)(6). (ECF No. 18.) Two questions are presented: (1) whether the NSA effectively bars Plaintiff’s state-law claims; and (2) if the claims are not barred, whether Plaintiff has adequately stated claims under those state-law theories.

For the reasons stated below, it is respectfully recommended that Defendant’s motion to dismiss (ECF No. 18) be **GRANTED**.

PROCEDURAL BACKGROUND

Plaintiff filed this action on February 16, 2026 in the Supreme Court of the State of New York, County of Suffolk, under Index No. 604573/2026. (*See generally* ECF No. 1-1.)

¹ The latter three claims are all pleaded in the alternative.

Defendant's registered agent was served a Summons and Complaint on February 24, 2026. (ECF No. 1 at 1; Exhibit B- Affidavit of Service.) Defendant removed the case to the United States District Court for the Eastern District of New York on March 26, 2026. (ECF No. 1.)

Following the adoption of a Rule 26(f) Scheduling Order (*see* ECF No. 16), on application of the parties (*see* ECF No. 17 at 1) the Court granted a stay in part while directing the parties to proceed with "limited discovery, *i.e.*, production(s) of the administrative record pertaining to the health care claims and independent dispute resolution awards at issue in this lawsuit." (Electronic Order dated 05/29/2026) (quoting ECF No. 17 at 1).

LEGAL STANDARD UNDER RULE 12(B)(6)

To survive a motion to dismiss under Rule 12(b)(6), a complaint must plead "enough facts to state a claim to relief that is plausible on its face." *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570, 127 S. Ct. 1955, 167 L. Ed. 2d 929 (2007). A claim is facially plausible "when the plaintiff pleads factual content that allows the court to draw the reasonable inference that the defendant is liable for the misconduct alleged." *Ashcroft v. Iqbal*, 556 U.S. 662, 678, 129 S. Ct. 1937, 173 L. Ed. 2d 868 (2009); *see also CompassCare v. Hochul*, 125 F.4th 49, 56-57 (2d Cir. 2025) (quoting *Krys v. Pigott*, 749 F.3d 117, 128 (2d Cir. 2014) ("a complaint must contain sufficient factual matter, accepted as true, to state a claim to relief that is plausible on its face.")).

"The plausibility standard is not akin to a probability requirement, but it asks for more than a sheer possibility that a defendant has acted unlawfully." *Annabi v. New York Univ.*, No. 24-CV-2601 (LJL), 2025 U.S. App. LEXIS 8324, 2025 WL 1066083, at *1 (2d Cir. Apr. 9, 2025) (quoting *Iqbal*, 556 U.S. at 678). To that end, complaints are properly dismissed where, as a matter of law, "the allegations in a complaint, however true, could not raise a claim of entitlement to relief." *Twombly*, 550 U.S. at 558. When considering a motion to dismiss

under 12(b)(6), the Court must assume all well-pleaded facts to be true, “drawing all reasonable inferences in favor of the plaintiff.” *Koch v. Christie’s Int’l PLC*, 699 F.3d 141, 145 (2d Cir. 2012). However, this tenet does not apply to legal conclusions or “threadbare recitals of a cause of action’s elements.” *Iqbal*, 556 U.S. at 663. Pleadings that offer only “labels and conclusions” or “a formulaic recitation of the elements of a cause of action will not do.” *Twombly*, 550 U.S. at 555. More is required. Put differently, “while a complaint attacked by a Rule 12(b)(6) motion to dismiss does not need detailed factual allegations, a plaintiff’s obligation to provide the grounds of his entitlement to relief requires more than labels and conclusions. ... Factual allegations must be enough to raise a right to relief above the speculative level. To survive dismissal, a complaint must provide enough facts to state a claim to relief that is plausible on its face.” *Go New York Tours Inc. v. Gray Line New York Tours, Inc.*, No. 24-CV-2392 (ER), 2025 U.S. App. LEXIS 7090, 2025 WL 947083, at *2 (2d Cir. Mar. 27, 2025) (quoting *Mayor & City Council of Baltimore v. Citigroup, Inc.*, 709 F.3d 129, 135 (2d Cir. 2013)).

DISCUSSION

“On December 27, 2020, Congress passed the No Surprises Act to address the issue of patients facing unexpected—and often exceedingly large—medical bills after they received treatment from out-of-network providers.” *Neurological Surgery Prac. of Long Island, PLLC v. United States Dep’t of Health & Hum. Servs.*, 145 F.4th 212, 219 (2d Cir. 2025). “The Act prohibits out-of-network health care providers from billing healthcare plan members directly for certain items or services.” *Id.* (internal citation omitted). “A provider must instead seek compensation from the patient’s healthcare plan.” *Id.* (internal citation omitted). “Upon receiving a request for payment from a provider, the patient’s health care plan determines whether and in what amount it will pay for the services.” *Id.* (citation modified; internal citation

² At oral argument, defense counsel represented that the reason Defendant has not yet paid the IDR amount is that Defendant is still in the process of appealing internally to the Centers for Medicare & Medicaid Services. This representation is found nowhere in the papers. Even if it were, “a district court errs when it considers affidavits and exhibits submitted by defendants or relies on factual allegations contained in legal briefs or memoranda, in ruling on a 12(b)(6) motion to dismiss.” *Friedl v. City of New York*, 210 F.3d 79, 83–84 (2d Cir. 2000); *cf. Env't Servs., Inc. v. Recycle Green Servs., Inc.*, 7 F. Supp. 3d 260, 270 (E.D.N.Y. 2014) (listing exceptions, none of which applies here). Defense counsel also represented that typically, when United refuses to pay an IDR award, it is because the claim was ineligible for IDR in the first place. Counsel may have been referring to Defendant's Exhibit A, a newspaper article which states as follows: “Many claims that shouldn't be eligible for arbitration, such as those for patients covered through the government programs Medicare and Medicaid, move through the system anyway. The claim from the New Jersey anesthesiologist involved a patient on a UnitedHealthcare Medicare Advantage plan, according to a lawsuit that UnitedHealth has filed protesting the arbitration decision.” (ECF No. 18-3 at 3.) The Court did not consider this on the motion to dismiss in reaching its conclusions.

private cause of action. Instead, Plaintiff proceeds under various state-law theories such as breach of contract and unjust enrichment. (*Id.* at ¶¶ 77–141.)

Defendant moves to dismiss on the theory that the NSA preempts all state-law remedies and, even if it does not, the Complaint fails to state a claim under any of the state-law causes of action it pleads. (ECF No. 18.)

I. Whether Plaintiff’s State-Law Claims are Preempted by the NSA

At the outset, an important distinction must be noted. The parties spill much ink arguing whether the NSA provides a private cause of action. Strictly speaking, that is not the immediate question here, as Plaintiff does not purport to assert a claim under the NSA; Plaintiff asserts only state-law causes of action. That said, the question of whether the NSA provides a private cause of action turns out to be inextricably intertwined with a question that is directly dispositive here: whether the NSA *preempts* Plaintiff’s state-law claims.

A. Whether the NSA Provides a Private Cause of Action

Where, as here, a statute is silent as to whether it provides a private right of action, “[t]he judicial task is to interpret the statute . . . to determine whether it displays an intent to create not just a private right but also a private remedy.” *Alexander v. Sandoval*, 532 U.S. 275, 286 (2001) (internal citation omitted). “Statutory intent on this latter point is determinative. Without it, a cause of action does not exist and courts may not create one, no matter how desirable that might be as a policy matter, or how compatible with the statute.” *Id.* at 286–87 (internal citations omitted). To discern whether Congress intended to create a private remedy, courts “look first to the text and structure of the statute.” *Republic of Iraq v. ABB AG*, 768 F.3d 145, 170 (2d Cir. 2014) (internal citation omitted). Among other things, courts should “consider whether the statute’s methods of enforcement ‘manifest an intent to create a private remedy,’ as opposed to

‘empowering agencies to enforce their regulations.’” *Murphy Med. Assocs., LLC v. Yale Univ.*, 120 F.4th 1107, 1112 (2d Cir. 2024) (quoting *Sandoval*, 532 U.S. at 289) (citation modified). Finally, the Second Circuit has cautioned that “the Supreme Court has come to view the implication of private remedies in regulatory statutes with increasing disfavor.” *Republic of Iraq*, 768 F.3d at 170 (quoting *Hallwood Realty Partners, L.P. v. Gotham Partners, L.P.*, 286 F.3d 613, 618 (2d Cir. 2002)).

This Court concludes—as have the vast majority of courts to consider the issue — that the NSA does not provide a private cause of action. *See, e.g., E. Coast Advanced Plastic Surgery, LLC v. Cigna Health & Life Ins. Co.*, No. 25 CIV. 1686 (PAE), 2025 WL 2371537, at *17 (S.D.N.Y. Aug. 14, 2025), *appeal pending* Case No. 25-2204 (2d Cir.). This is because the NSA provides its own internal mechanism of enforcement. If an insurer refuses to comply with an IDR determination, the Department of Health and Human Services (“HHS”) can fine the insurer \$100 per day. *See* 42 U.S.C. § 300gg-22(b)(2). “[T]he ‘express provision of one method of enforcing a substantive rule suggests that Congress intended to preclude others.’” *Armstrong v. Exceptional Child Ctr., Inc.*, 575 U.S. 320, 328 (2015) (quoting *Sandoval*, 532 U.S. at 290). Accordingly, by providing that HHS can punish recalcitrant employers, Congress manifested an intent to preclude other remedies, namely, private causes of action.

That conclusion fits comfortably among the majority. Members of this camp include the Fifth Circuit Court of Appeals—the only circuit court to have weighed in so far—as well as Judge Hector Gonzalez of the Eastern District of New York, Judges Cathy Seibel and Paul A. Engelmayer of the Southern District of New York, the District of Delaware, the District of New Jersey, the Northern District of Oklahoma, the Northern District of Illinois, and more. *Guardian Flight, L.L.C. v. Health Care Serv. Corp.*, 140 F.4th 271 (5th Cir. 2025) (“*Guardian Flight Fifth*

Circuit”), *cert. denied*, 146 S. Ct. 1493, 223 L. Ed. 2d 509 (2026); *Jeffrey Farkas, M.D., LLC v. Horizon Blue Cross Blue Shield of New Jersey*, 790 F. Supp. 3d 129, 137 (E.D.N.Y. 2025); *T.V. Seshan M.D., P.C. v. Blue Cross Blue Shield Ass’n*, No. 25-CV-1255 (CS), 2025 WL 3496382, at *9 (S.D.N.Y. Dec. 5, 2025); *E. Coast Advanced*, 2025 WL 2371537, at *17; *SpecialtyCare Inc. v. Meritain Health, Inc.*, No. CV 25-198-MN, 2026 WL 353259, at *4 (D. Del. Feb. 9, 2026), *report and recommendation adopted*, No. CV 25-198 (MN), 2026 WL 745341 (D. Del. Mar. 17, 2026); *Mod. Orthopaedics of NJ v. Premera Blue Cross*, No. 2:25-CV-01087 (BRM) (JSA), 2025 WL 3063648, at *13–14 (D.N.J. Nov. 3, 2025); *Advanced Monitoring Servs. Holdings, LLC v. Blue Cross Blue Shield of Oklahoma*, No. 25-CV-466-SEH-JFJ, 2026 WL 1725894, at *9 (N.D. Okla. May 14, 2026), *report and recommendation adopted*, No. 25-CV-00466-SEH-JFJ, 2026 WL 1726336 (N.D. Okla. June 2, 2026); *PHI Health, LLC v. Health Care Serv. Corp.*, No. 25 C 12406, 2026 WL 1802985, at *3 (N.D. Ill. June 23, 2026).

Only two courts have concluded otherwise, that is, that the NSA does provide a private cause of action: the District of Connecticut and the District of Maryland. *Guardian Flight LLC v. Aetna Life Ins. Co.*, 789 F. Supp. 3d 214, 229 (D. Conn. 2025) (“*Guardian Flight D. Conn.*”); *PHI Health, LLC v. Optimum Choice, Inc.*, No. 25-cv-2320, 826 F.Supp.3d 654, 2026 WL 850453, at *9-11 (D. Md. Mar. 27, 2026). Both cases are distinguishable.

This very question is pending before the Second Circuit. In *E. Coast Advanced Plastic Surgery*, a healthcare provider sought declaratory judgment under the NSA to enforce an IDR determination. 2025 WL 2371537, at *17. Concluding that the NSA does not provide a private cause of action, Judge Engelmayer of the Southern District dismissed the claim. *Id.* at *18. The healthcare provider appealed; the appeal is fully briefed and was argued on June 17, 2026.

The debate tends to revolve around two points. First, the NSA provides that an IDR award “shall not be subject to judicial review” except in certain circumstances. 29 U.S.C. § 1185e(b)(5)(E). Judge Engelmayer and others have interpreted this to mean that courts cannot enforce IDR awards. *E. Coast Advanced Plastic Surgery*, 2025 WL 2371537, at *17. Although judicial “review” normally implies reversal—in which case the bar on judicial review would not preclude judicial enforcement—the Fifth Circuit noted that judicial “review” can also sometimes mean enforcement. *Guardian Flight Fifth Circuit*, 140 F.4th at 275 (“Providers counter that they seek only judicial *enforcement* of an IDR award, not judicial *review* of one. That is a distinction without a difference. The term ‘judicial review’ is broad enough to include a court’s order to enforce an IDR award.”) (emphasis in original). On the other hand, the courts in the Districts of Connecticut and Maryland countered that the Fifth Circuit’s reading of the statute is “absurd” in context, resulting in a “non-sequitur.” *Guardian Flight D. Conn.*, 789 F. Supp. 3d at 228; *PHI Health*, 826 F. Supp. 3d at 665–66. That is because the statute bars judicial review except in four circumstances: where the award was procured by corruption or fraud, where the arbitrators were partial or corrupt, where the arbitrators were guilty of misconduct, or where the arbitrators exceeded their powers. 42 U.S.C. § 300gg-111(c)(5)(E)(i)(II) (incorporating 9 U.S.C. § 10(a)(1)–(4)). If judicial review means judicial enforcement, then the statute is saying that a court may not enforce an IDR award *unless* it was obtained by fraud or corruption. That is obviously wrong. Hence, judicial review here must mean what it always means: a court’s authority to *set aside* an improper ruling. So although the statute curtails judicial review, it is silent on the question here—a court’s authority to *enforce* a ruling.

That said, although the statute does not explicitly bar judicial enforcement, it does not explicitly *provide for* judicial enforcement either. That omission itself may speak volumes. As the Fifth Circuit compellingly observes:

Congress could have done otherwise. Section 9 of the [Federal Arbitration Act (“FAA”)] empowers courts to confirm or enforce arbitration awards, *see* 9 U.S.C. § 9, but Congress chose not to incorporate § 9 into the NSA. It incorporated only parts of § 10. *See* 42 U.S.C. § 300gg-111(c)(5)(E)(i)(II). By contrast, in other statutes, Congress *has* incorporated § 9 to create a private right of action. *See* 5 U.S.C. § 580(c) (“A final award is binding on the parties to the arbitration proceeding, and may be enforced pursuant to *sections 9 through 13* of” the FAA (emphasis added)). So, Congress knew how to create a private right of action in the NSA—and has done so elsewhere—but declined to do so.

Guardian Flight Fifth Circuit, 140 F.4th at 276 (emphasis in original).

The second prong of the debate—and this is where the issue of preemption surfaces—is whether the NSA provides its own enforcement mechanism. All sides agree on the basic framework: “the ‘express provision of one method of enforcing a substantive rule suggests that Congress intended to preclude others.’” *Armstrong v. Exceptional Child Ctr., Inc.*, 575 U.S. 320, 328 (2015) (quoting *Alexander v. Sandoval*, 532 U.S. 275, 290 (2001)).

Under the NSA, the Department of Health and Human Services (“HHS”) “is empowered to level civil penalties against insurers who violate their obligation to pay under the statute. HHS can fine insurers who fail to pay their IDR awards \$100 every day for each failure to pay until compliance is rendered.” *T.V. Seshan*, 2026 WL 867151, at *4 (citing 42 U.S.C. § 300gg-22(b)(2)). Most courts have concluded that this authorization for HHS to levy penalties manifests Congress’s “intent to preclude a private remedy.” *Id.*; accord *Guardian Flight Fifth Circuit*, 140 F.4th at 277 (citing § 300gg-22(b)(2) and concluding that Congress made a “policy choice to enforce the statute through administrative penalties, not a private right of action”).

The court in the District of Maryland, however, argued that those penalties do not fill the role of enforcement: “Nothing in the No Surprises Act authorizes HHS (or DOL or Treasury or any state agency for that matter) to order a payor that is in violation of the Act to comply with an IDR determination.” *PHI Health*, 826 F. Supp. 3d at 667. Hence, although a “comprehensive enforcement scheme” can “indicate the lack of a congressional intent to permit private rights of action[.]” here there is no such scheme because “HHS does not have any statutory authority to ‘enforce’ an IDR award[.]” *Id.* (internal citation omitted).

Apparently, the court there assumed that a statutory enforcement mechanism would be deemed preclusive only if it provides a remedy *to the aggrieved party*, as opposed to the fines authorized in the NSA, which go to the government.³ That distinction is at odds with Supreme Court precedent. In *Armstrong*, the state of Idaho allegedly reimbursed certain healthcare providers at rates lower than permitted under the Medicaid Act, so the providers brought suit in federal court seeking to enjoin state officials to increase their rates. 575 U.S. at 323–24. After concluding that the relevant statute did not provide a private cause of action, the Court concluded that, by the same token, the plaintiffs also could not “invoke[e the Court’s] equitable powers[to] circumvent Congress’s exclusion of private enforcement.” *Id.* at 328. The Court found evidence of “Congress’s intent to foreclose equitable relief” in the fact that “the sole remedy Congress provided for a State’s failure to comply with Medicaid’s requirements . . . is the withholding of Medicaid funds by the Secretary of Health and Human Services.” *Id.* (internal citations omitted).

³ The other court in the private-cause-of-action camp, *Guardian Flight D. Conn.*, does not address § 300gg-22(b)(2) at all. See 789 F. Supp. 3d at 229 (addressing only 42 U.S.C. § 300gg-111(a)(2) and § 300gg-111(c)(4) and concluding that neither provides an enforcement mechanism).

Having concluded that the NSA does not provide a private right of action, the Court turns to whether the NSA precludes state law causes of action.

Federal preemption of state law is typically addressed under the Supremacy Clause, and it is a rich and well-established body of jurisprudence. That form of preemption is addressed below. *See infra* § I.B.2. Before reaching that question, however, the Court addresses a somewhat more niche form of preclusion which applies in the narrow circumstance presented here, namely, where a plaintiff attempts to use state law as an end-run to enforce a federal statute that does not provide a private cause of action. *See Astra USA, Inc. v. Santa Clara Cnty., Cal.*, 563 U.S. 110 (2011); *see also Ortiz v. Ciox Health LLC*, 21 F.4th 50, 52 (2d Cir. 2021). Doctrinally, these are distinct. Caselaw applying preemption under the Supremacy Clause does not tend to cite *Astra*, and *Astra* nowhere cites the Supremacy Clause.

1. Preclusion Assuming the NSA Does **Not** Provide a Private Cause of Action

If the NSA does not provide a private cause of action (as most courts hold), then it must also preclude Plaintiff's state-law claims. This conclusion follows directly from Supreme Court precedent. In *Astra*, the Court addressed a statutory regime under which drug manufacturers could opt in to Medicaid programs in exchange for signing a pricing agreement limiting what they could charge for drugs. 563 U.S. at 113. The agreements were “not transactional, bargained-for contracts[,]” but rather “uniform agreements that recite the responsibilities [the statute] impose[d.]” *Id.* Although the statute provided no private right of action, covered entities brought suit against overcharging manufacturers under a contract theory. *Id.* The Court rejected this attempted workaround, because the “contractual” obligations were “one and the same” with the statutory obligations. *Id.* at 118. The “form agreements, composed by HHS, contain[ed] no negotiable terms”; instead, they simply “serve[d] as the means by which drug manufacturers opt into the statutory scheme.” *Id.* Suing to enforce the agreement must therefore fail, the Court held, because “[t]he absence of a private right to enforce the statutory ceiling-price obligations would be rendered meaningless if [covered] entities could overcome that obstacle by suing to enforce the contract's ceiling-price obligations instead.” *Id.*; see also *New York City Health & Hosps. Corp. v. WellCare of New York, Inc.*, 801 F. Supp. 2d 126, 138 (S.D.N.Y. 2011) (citing *Astra* and dismissing the plaintiff's breach of contract claim as an “impermissible end run” trying to enforce a federal law that did not provide for a private right of action).

That is the precise situation here. The Complaint describes Plaintiff's treatment of five patients covered by UHIC; for each, the Complaint alleges that the parties engaged in the IDR process, pursuant to which UHIC would have needed to “access the federal IDR portal and

accept” certain terms and conditions. (ECF No. 1-1, ¶¶ 14–76.) The first four of Plaintiff’s seven asserted causes of action—breach of express contract, breach of implied covenant of good faith, declaratory judgment, and account stated—are expressly rooted in the IDR agreement, and the latter three—quantum meruit, promissory estoppel, and unjust enrichment—implicitly arise therefrom as well. Based on *Astra*, a “contract” whose terms are dictated by the government is not a real contract, and its breach does not constitute a breach of contract. The Complaint is a transparent attempt to enforce the IDR award, which must fail, as “a plaintiff may not get around the lack of a private right of action under a federal statute by artfully pleading a third-party breach of contract claim or quasi-contract claim based on a violation of the statute.” *New York City Health*, 801 F. Supp. 2d at 138. Because “no private right of action exists under the relevant statute, [Plaintiff’s] efforts to bring [its] claims as state common-law claims are clearly an impermissible ‘end run’ around the” NSA. *Grochowski v. Phoenix Const.*, 318 F.3d 80, 86 (2d Cir. 2003).

The District of Delaware’s decision in *SpecialtyCare* is on point and persuasive. The plaintiff there brought suit seeking to “confirm” IDR awards under, *inter alia*, the Federal Arbitration Act (“FAA”); and also asserted state law causes of action for account stated, quantum meruit, and unjust enrichment. 2026 WL 353259, at *2. After determining that the NSA itself provides no private cause of action, the court cited *Astra* for the proposition that the state law claims were likewise foreclosed:

The gravamen of Plaintiffs’ First Amended Complaint, and their sole theory of wrongdoing, is that Meritain has failed to pay \$240,244 in IDR awards to Plaintiffs in violation of the NSA. Their state law claims are “one and the same” as their claims under the FAA . . . to enforce the IDR awards. Plaintiffs do not allege that Meritain violated any substantive obligation that arises independent of the NSA. Although account stated, quantum meruit, and unjust enrichment

require proof of certain elements specific to those claims, the ultimate goal of the plaintiffs' claim here is to enforce the federal statute.

Id. at *5 (citing *Astra*) (citation modified; internal citations omitted).

So too here, Plaintiff does not allege that UHIC violated any substantive obligation that arises independent of the NSA. Though Plaintiff attempts to artfully express its theory in seven different causes of action, the ultimate goal of the Complaint is to enforce the federal statute. The Complaint is shot through with references to the NSA and IDR. While Plaintiff pretends that the IDR determinations “merely serve as evidence of the reasonable value of services rendered” (ECF No. 20 at 1), this lip service rings hollow. Where a complaint looks like a duck and quacks like a duck, courts cannot be expected to believe it is anything but a duck. *See In re Adelphia Communications Corp.*, 376 B.R. 87, 98-99 (Bankr. S.D.N.Y. 2007) (citing *Tidelands Marine Serv. v. Patterson*, 719 F.2d 126, 128 n.3 (5th Cir. 1983)) (“That which looks like a duck, walks like a duck, and quacks like a duck will be treated as a duck even though some would insist upon calling it a chicken.”); *BMC Indus., Inc. v. Barth Indus., Inc.*, 160 F.3d 1322, 1337 n.28 (11th Cir. 1998) (same, and observing that, “The ‘duck test’ has received wide support from the courts”).

Plaintiff relies principally on dicta⁴ from two cases for the proposition that its “state law claims are entirely appropriate and not preempted by the NSA.” (ECF No. 20 at 7.) Plaintiff’s reliance on these cases, however, is misplaced. Indeed, a closer analysis of both cases brings into sharper focus just why *Astra* controls here.

⁴ At oral argument, Plaintiff’s counsel conceded that even on Plaintiff’s reading the cited passages are at most dicta, not holdings.

First is *Kennedy v. UnitedHealth Grp. Inc.*, No. 25 CIV. 432 (PAE), 2025 WL 1725147 (S.D.N.Y. June 20, 2025). The court there stated that “United’s depiction of the NSA—as supplanting state-law remedies for medical providers—is not anchored in any legal authority. . . . United has not identified any authority holding that the NSA bars medical providers from bringing state-law claims against the patient’s insurer.” *Id.* at *8. At first blush, that sounds exactly like Plaintiff’s position. But that case is inapposite because the parties there never engaged in the IDR process. The healthcare provider sought reimbursement in state court under state-law theories. *Id.* at *2. United Healthcare attempted to remove to federal court under the theory that the complaint implicated certain federal laws, namely the Affordable Care Act and the Emergency Medical Treatment and Labor Act—but not the NSA. *Id.* It was in that context—where the parties had not submitted to IDR, and neither party asserted that the case implicated the NSA at all—that the court mentioned, in passing, that the NSA does not preclude state law remedies.

This distinction becomes more apparent when looking at the second case, *Modern Orthopaedics*, 2025 WL 3063648. In arguing that the NSA provides a private cause of action, the plaintiff there made a policy-based argument: “[t]he law states that Plaintiff . . . must instead avail itself of the NSA’s IDR process and procedures to secure payment,’ and it would therefore be left entirely helpless without judicial enforcement of the IDR.” *Id.* at *11 (alterations in original). The District Judge rejected that argument, finding that the NSA “says nothing that would preclude a provider from bringing a suit under traditional state-law causes of action.” *Id.* Plaintiff here seizes upon that language to show that the NSA does not preclude state-law claims. But cherry-picking lines devoid of context is no way to read a case. The court there was responding to the plaintiff’s argument that denying a private right of action under the

NSA would deprive providers of any method of recovery at all. To that the court responded:

“The IDR is an opt-in process[.] [I]t provides an alternative, streamlined route to determine the amount owed between the parties—it does not displace traditional state-law remedies like unjust enrichment.” *Id.* at *12.

Thus, according to *Modern Orthopaedics* the IDR is an “alternative,” “opt-in process[.]” *Id.* *Kennedy* and *Modern Orthopaedics* stand only for the proposition that a provider who *doesn’t* commit to IDR is free to pursue state-law remedies.⁵ Nowhere does either of those cases state, or even suggest, that a provider who has already opted-in to IDR can then circumvent the IDR’s lack of a cause of action by bringing state-law claims to obtain payment of the IDR award. *See SpecialtyCare*, 2026 WL 353259, at *7 n.6 (“Critically, the plaintiff [in *Kennedy*] chose to bring state law claims *rather than* seek redress under the IDR process or the NSA. . . . I do not read *Kennedy* and *Mod. Orthopaedics* as greenlighting Plaintiffs’ state law claims.”) (emphasis in original).

To summarize, the Court is persuaded that the NSA does not provide a private cause of action. If that is correct, then the NSA necessarily would prevent any state-law workarounds as well under the reasoning of the Supreme Court’s decision in *Astra*. *Kennedy* and *Modern Orthopaedics*, properly understood, do not suggest a different conclusion.

However, that is all assuming the NSA does not provide a private cause of action. The Second Circuit—which, as explained above, is currently considering the matter—could yet come

⁵ At oral argument, counsel for both sides argued that the IDR process is mandatory from the beginning. However, both *Kennedy* and *Modern Orthopaedics* interpret the IDR process as optional. Also, the Court notes that Subsection (c)(1)(A) provides that either the provider or insurer “may” initiate open negotiations with the counterparty. 42 U.S.C. § 300gg-111(c)(1)(A). If the parties are unable to agree upon an amount within 30 days, subsection (c)(1)(B) provides that either party “may,” during the next four days, initiate the IDR process. 42 U.S.C. § 300gg-111(c)(1)(B).

out the other way. In the event the Second Circuit finds that the NSA *does* provide a private cause of action, the question then becomes: does it preempt other causes of action such as those asserted by Plaintiff here?

2. Preemption Assuming the NSA **Does** Provide a Private Cause of Action

Pursuant to the Constitution’s Supremacy Clause—which provides that federal law “shall be the supreme Law of the Land”—Congress has the power to preempt state law. *Arizona v. United States*, 567 U.S. 387, 399 (2012) (citing U.S. Const. art. VI, cl. 2.) “Preemption may be either express or implied.” *New York City Health & Hosps. Corp. v. WellCare of New York, Inc.*, 801 F. Supp. 2d 126, 134–35 (S.D.N.Y. 2011) (citing *Lorillard Tobacco Company v. Reilly*, 533 U.S. 525, 541 (2001)). “Express preemption arises when a federal statute expressly directs that state law be ousted.” *New York State Telecommunications Ass’n, Inc. v. James*, 101 F.4th 135, 147 n.9 (2d Cir. 2024) (quoting *Air Transp. Ass’n of Am. v. Cuomo*, 520 F.3d 218, 220 (2d Cir. 2008)) (citation modified). “[I]mplied preemption will bar a state law claim where, ‘under the circumstances of a particular case, the challenged state law stands as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress.’” *In re Jackson*, 972 F.3d 25, 34 (2d Cir. 2020) (quoting *Crosby v. Nat’l Foreign Trade Council*, 530 U.S. 363, 373 (2000)). Courts have generally recognized two types of implied preemption: (1) “field preemption,” “where the scheme of federal regulation is so pervasive as to make reasonable the inference that Congress left no room for the States to supplement it,” *New York City Health*, 801 F. Supp. 2d at 134–35 (citing *Gade v. National Solid Wastes Mgmt. Ass’n*, 505 U.S. 88, 98 (1992)); and (2) “conflict preemption,” “whe[re] the state law ‘actually conflicts with federal law,’” *Jackson*, 972 F.3d at 34 n.4 (quoting *English v. Gen. Elec. Co.*, 496 U.S. 72, 79 (1990)).

That said, field preemption and conflict preemption “are not ‘rigidly distinct’ and may overlap.” *Jackson*, 972 F.3d at 34 n.4 (quoting *Crosby*, 530 U.S. at 372 n.6).

“When addressing federal preemption questions, ‘[courts] have long presumed that Congress does not cavalierly pre-empt state-law causes of action,’ and therefore ‘start with the assumption that the historic police powers of the States were not to be superseded by the Federal Act unless that was the clear and manifest purpose of Congress.’” *Marentette v. Abbott Lab’y, Inc.*, 886 F.3d 112, 117 (2d Cir. 2018) (quoting first *Medtronic, Inc. v. Lohr*, 518 U.S. 470, 485 (1996) and then *Wyeth v. Levine*, 555 U.S. 555, 565 (2009)).

As noted above, there are two overlapping types of implied preemption. First is field preemption. “Where Congress occupies an entire field, as it has in the field of alien registration, even complementary state regulation is impermissible.” *Arizona*, 567 U.S. at 401 (finding field preemption over alien registration, because “Federal law makes a single sovereign responsible for maintaining a comprehensive and unified system to keep track of aliens within the Nation’s borders”); *see also, e.g., Freeman v. Burlington Broadcasters, Inc.*, 204 F.3d 311, 320 (2d Cir. 2000) (finding that the Federal Communications Commission’s “broad authority to develop a comprehensive national regulatory system governing telecommunications” indicates that it “possess[es] exclusive authority over technical matters related to radio broadcasting[,]” leading to the conclusion that “federal law has preempted the field of RF interference regulation”). “The Supreme Court has noted that these are ‘rare cases.’” *James*, 101 F.4th at 147 (quoting *Kansas v. Garcia*, 589 U.S. 191 (2020)).

Second is conflict preemption. “Conflict preemption arises in two scenarios: (1) ‘where it is impossible for a private party to comply with both state and federal requirements’; or (2) ‘where state law stands as an obstacle to the accomplishment and execution of the full purposes

and objectives of Congress.” *Nat’l Shooting Sports Found., Inc. v. James*, 144 F.4th 98, 112 (2d Cir. 2025) (quoting *Freightliner Corp. v. Myrick*, 514 U.S. 280, 287 (1995)). “The burden of establishing obstacle preemption, like that of impossibility preemption, is heavy: the mere fact of tension between federal and state law is generally not enough to establish an obstacle supporting preemption, particularly when the state law involves the exercise of traditional police power.” *James*, 101 F.4th at 155 (quoting *In re MTBE Prods. Liab. Litig.*, 725 F.3d 65, 101–02 (2d Cir. 2013)). “Federal law does not preempt state law under conflict preemption analysis unless the repugnance or conflict is so direct and positive that the two acts cannot be reconciled or consistently stand together.” *Art & Antique Dealers League of Am., Inc. v. Seggos*, 121 F.4th 423, 436 (2d Cir. 2024) (quoting *Marentette*, 886 F.3d at 117).

Here, neither form of preemption applies. Field preemption does not apply, as this is not one of those “rare” situations where Congress regulated an area so thoroughly as to evince an intent to crowd out other remedies. To the contrary, the NSA expressly provides that it “shall not be construed to supersede any provision of State law which establishes, implements, or continues in effect any standard or requirement solely relating to health insurance issuers in connection with individual or group health insurance coverage[.]” 42 U.S.C. § 300gg-23.⁶ And conflict preemption does not apply, because state-law causes of action such as breach of contract do not pose any sort of obstacle to the fulfillment of Congressional intent. To the contrary, “state penalties could help to ensure that parties comply with the NSA’s payment obligations and

⁶ For the avoidance of doubt, § 300gg-23 does not undermine the Court’s analysis above under *Astra*. That analysis still holds true: if there is no private cause of action under the NSA itself, there are no other causes of action either. But that is only true once someone has opted in to the IDR process; at that point, one may no longer use state-law remedies as a workaround to obtain the IDR award. If, however, one has not undergone IDR, then other remedies remain open pursuant to § 300gg-23. *See generally SpecialtyCare*, 2026 WL 353259, at *7 n.6.

refrain from engaging in unfair practices to circumvent these provisions.” *Guardian Flight D. Conn.*, 789 F. Supp. 3d at 236. In sum, assuming the NSA itself provides a private cause of action, the purpose of the NSA would not be frustrated or undermined by allowing providers to vindicate that right through other means as well, such as breach of contract.

Accordingly, it is recommended that the Complaint be dismissed on the ground that NSA precludes assertion of state-law claims when the IDR process is pursued. However, in the event the District Judge disagrees with this recommended conclusion, the Court proceeds to analyze whether Plaintiff’s state-law causes of action nevertheless state a claim.

II. Whether Plaintiff has Stated a Claim

Defendant’s notice of removal asserts subject-matter jurisdiction on the basis of diversity of citizenship. (ECF No. 1.) As such—and as both parties appear to concede—the substantive law to be applied is the law of the state in which the Court sits, namely, New York. *Kimba Indus. Inc. v. Fortegra Specialty Ins. Co.*, No. 24-CV-01334 (JMW), 2026 WL 618037, at *2 (E.D.N.Y. Mar. 5, 2026) (citing *Erie R.R. v. Tompkins*, 304 U.S. 64, 78 (1938)).

A. Breach of Contract

Plaintiff argues that the parties entered a contract when they elected to “access the federal IDR portal[,]” where they each independently accepted click-wrap terms and conditions of the IDR process by clicking “I agree” or “Accept” or the like. (ECF No. 1-1 at ¶ 22.) The parties needed to accept these “clear and conspicuous” terms in order to “submit an offer or lodge an objection to eligibility of the claim.” (ECF No. 20 at 15.) In so doing, Defendant “affirmatively manifest[ed] its assent” to the terms of the IDR process, according to Plaintiff. (ECF No. 1-1 at ¶ 22.)

Plaintiff has failed to plead the existence of a contract. “To form a binding contract under New York law, it is often said that there must be a ‘meeting of the minds.’” *Wu v. Uber Techs., Inc.*, 260 N.E.3d 1060 (N.Y. 2024) (internal citations omitted). More precisely, “a binding contract requires an objective ‘manifestation of mutual assent,’ through either words or conduct, to the essential terms comprising the agreement.” *Id.* (internal citations omitted). “Generally, courts look to the basic elements of the offer and the acceptance to determine whether there is an objective meeting of the minds sufficient to give rise to a binding and enforceable contract.” *Id.* (internal citations omitted).

It is true, as Plaintiff points out, that accepting click-wrap terms on a website is a legitimate means of manifesting assent. In *Wu*, for example, the New York Court of Appeals held that when an Uber passenger clicks “accept” on Uber’s website, she commits herself to Uber’s terms of use *vis-à-vis* Uber. *Id.* But no one would say that by agreeing to Uber’s terms of service on Uber’s website, the passenger somehow enters into a contract *with someone else*.

Here, the parties both accepted the terms of service to avail themselves of the IDR process. But as Plaintiff itself states, those terms were on a *federal* portal. (ECF No. 1-1 at ¶ 22.) At most, the parties each have independent rights and duties with the government. Plaintiff offers no argument as to how that would equate to a contract with each other.

The problem is especially glaring here in the context of an IDR award. “[T]here is a fundamental incompatibility between IDR, a unilateral right created by federal statute,” and other rights “which stem[] from contract.” *T.V. Seshan, M.D., P.C. v. Aetna, Inc.*, No. 25-CV-2938 (JGLC), 2026 WL 867151, at *5 (S.D.N.Y. Mar. 30, 2026). The court in *T.V. Seshan* contrasted arbitration, which is “about holding the parties to their prior agreement[,]” with IDR, which “is a unilateral right that either party may exercise under the appropriate conditions.” *Id.* at *5. IDR

is the antithesis of contract, as it “arises in the absence of any agreement between the parties, both in negotiations about the service at issue and in the prior step of lacking an in-network contract covering cost sharing more broadly.” *Id.* Accordingly, Count One of the Complaint should be dismissed.

B. Implied Covenant of Good Faith and Fair Dealing

Under New York Law, there is an implied covenant of good faith and fair dealing attendant to all contracts. *Khan v. K1 Investment Management LLC*, 2:24-cv-07860 (JMW), 2025 U.S. Dist. LEXIS 125390, 2025 WL 1808725, at *10 (E.D.N.Y. July 1, 2025) (citing *Dalton v. Educ. Testing Serv.*, 663 N.E.2d 289, 291 (N.Y. 1995)) (“Implicit in all contracts is a covenant of good faith and fair dealing in the course of contract performance”); *see also 511 West 232nd Owners Corp v. Jennifer Realty Co.*, 773 N.E.2d 496, 500 (N.Y. 2002). To state a claim for breach of this implied covenant, a plaintiff must plead that: (1) the defendant owes the plaintiff a duty to act in good faith and conduct fair dealing, (2) the defendant breached that duty, and (3) the breach proximately caused the plaintiff’s damages. *Great Lakes Reinsurance (UK) SE v. Herzig*, 413 F. Supp. 3d 177, 183 (S.D.N.Y. 2019) (citation modified; internal citation omitted). “Broadly stated, the implied covenant ‘embraces a pledge that ‘neither party shall do anything which will have the effect of destroying or injuring the right of the other party to receive the fruits of the contract.’” *Singh v. City of New York*, 217 N.E.3d 1, 5 (N.Y. 2023) (quoting *Jennifer Realty Co.*, 773 N.E.2d at 500); *see also Burton v. Label, LLC*, 344 F. Supp. 3d 680, 696 (S.D.N.Y. 2018) (noting the implied covenant encompasses “any promises which a reasonable person in the position of the promisee would be justified in understanding were included”) (internal citation omitted).

Relevant here, “[t]here can be no breach of contract, or the implied covenant of good faith and fair dealing, without a governing valid contract.” *Garrett v. Music Pub. Co. of Am., LLC*, 740 F. Supp. 2d 457, 463 (S.D.N.Y. 2010). Accordingly, having established above that there was no contract here, Plaintiff’s implied covenant claim should fail as well. *See, e.g., Kitchen Winners NY Inc. v. Rock Fintek LLC*, 668 F. Supp. 3d 263, 288 (S.D.N.Y. 2023) (“Because the duties imposed by the implied covenant of good faith and fair dealing arise as a result of the formation of a contractual relationship between the parties, a claim for breach of the implied covenant of good faith and fair dealing must be dismissed when there is no valid and enforceable contract between the parties.”) (internal citation omitted); *Meyer v. New York-Presbyterian Hosp. Queens*, 88 N.Y.S.3d 900, 901 (2d Dep’t 2018) (“[I]n the absence of a valid contract, dismissal of the cause of action to recover damages for breach of the implied covenant of good faith and fair dealing was warranted.”). Count Two of the Complaint should therefore be dismissed.

C. Declaratory Judgment

The Declaratory Judgment Act (“DJA”) provides that “any court of the United States, upon the filing of an appropriate pleading, may declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought.” 28 U.S.C. § 2201. By saying the district court “may” declare a party’s rights—as opposed to “must”—the statute confers “a broad grant of discretion to district courts to refuse to exercise jurisdiction over a declaratory action that they would otherwise be empowered to hear.” *Admiral Ins. Co. v. Niagara Transformer Corp.*, 57 F.4th 85, 96 (2d Cir. 2023) (quoting *Dow Jones & Co. v. Harrods Ltd.*, 346 F.3d 357, 359 (2d Cir. 2003)). The Second Circuit has

articulated the following “non-exhaustive” list of factors for the district court to consider in exercising such discretion:

- 1) whether the declaratory judgment sought will serve a useful purpose in clarifying or settling the legal issues involved;
- 2) whether such a judgment would finalize the controversy and offer relief from uncertainty;
- 3) whether the proposed remedy is being used merely for procedural fencing or a race to res judicata;
- 4) whether the use of a declaratory judgment would increase friction between sovereign legal systems or improperly encroach on the domain of a state or foreign court;
- 5) whether there is a better or more effective remedy; and
- 6) whether concerns for judicial efficiency and judicial economy favor declining to exercise jurisdiction.

Admiral Ins., 57 F.4th at 99–100 (citation modified; internal citations and quotation marks omitted).

“When considering the first two factors—whether the judgment will serve a useful purpose in clarifying or settling legal issues involved and offer relief from uncertainty—[courts have] declined to exercise jurisdiction over a declaratory judgment action that duplicates an available coercive action.” *Myers Indus., Inc. v. Schoeller Arca Sys., Inc.*, 171 F. Supp. 3d 107, 122 (S.D.N.Y. 2016).

Here, Plaintiff seeks a declaration that “Defendant is obligated to pay the Awards as determined by the CIDREs in full and without delay.” (ECF No. 1-1 ¶ 104.) “By refusing to pay the Awards despite repeated demands,” Plaintiff alleges, “Defendant seemingly contends that it is not required to do so, or that payments may be delayed or avoided,” when in fact “there

is no appeal, complaint or administrative process that stays Defendant's payment obligations.”
(*Id.* at ¶¶ 101–102.)

In response, Defendant contends that “Jefferson’s declaratory judgment claim is improper because it is duplicative of other causes of action and seeks no distinct or additional relief but merely repackages a nonviable enforcement theory.” (ECF No. 18-1 at 21.) As Defendant explains, “[a] declaratory judgment claim is not available where it is merely duplicative of other causes of action and seeks no distinct or additional relief because where a plaintiff’s substantive claims will necessarily determine the parties’ rights, a declaratory judgment claim is redundant and should be dismissed.” (*Id.*)

Defendant’s statement of the law is correct. “Courts routinely reject declaratory judgment claims when other claims in the suit will resolve the same issues, as a declaratory judgment in such cases serves no useful purpose.” *Cameron v. Winter*, No. 25-CV-00210 (JAV), 2026 WL 685959, at *5 (S.D.N.Y. Mar. 11, 2026) (internal citation omitted); *see, e.g., Jujamcyn Theaters LLC v. Fed. Ins. Co.*, 659 F. Supp. 3d 372, 383 (S.D.N.Y. 2023) (dismissing declaratory judgment cause of action as “clearly duplicative” where it “would not clarify any uncertainty in the parties’ legal relations that would otherwise remain unresolved as part of the breach of contract claim”) (internal citation omitted).

Defendant, however, misapplies that general principle to this case. The cases cited by Defendant involved successful breach of contract claims. *Ness Techs. S.A.R.L. v. Pactera Tech. Int’l Ltd.*, 105 N.Y.S.3d 412, 413 (1st Dep’t 2019) (“[S]ince plaintiff has a legal remedy for breach of contract, its cause of action for declaratory judgment should have been dismissed.”); *Fleisher v. Phoenix Life Ins. Co.*, 858 F. Supp. 2d 290, 303 (S.D.N.Y. 2012) (“[A]djudication of the breach of contract claim will address the issues of the validity of the COI Increases on which

the claim for declaratory relief rests. Thus, any uncertainty regarding the legality of such actions will of necessity be relieved without the need for a declaratory judgment.”). Here, by contrast, the Court found above that the parties never entered a contract.

Defendant further argues that:

The Complaint makes clear what relief Jefferson seeks: a declaration that UHIC “is obligated to pay the Awards as determined by the CIDREs in full and without delay.” (Compl. ¶ 104). That request does not arise from any independent New York law obligation. It simply asks the Court to declare that UHIC must do what Jefferson contends the NSA already requires. If Jefferson cannot bring a direct claim to enforce the IDR determination, it cannot obtain the same relief indirectly through a declaratory judgment.

(ECF No. 18-1 at 21.)

In framing the argument that way, Defendant reveals that the real basis for its argument against Plaintiff’s declaratory judgment claim is not that it is duplicative of Plaintiff’s *breach of contract* claim, but rather that it is duplicative of Plaintiff’s entire theory under the NSA. For this exact reason, Defendant’s argument must fail. The Court has already addressed above at length whether the NSA preempts Plaintiff’s state-law claims. To review briefly, if the NSA does *not* provide a private cause of action (as most courts have held), then it precludes other causes of action pursuant to the Supreme Court’s *Astra* decision. But if it does provide a private cause of action, then there is no reason to conclude it is preclusive. By hypothesis, Plaintiff could have brought a claim under the NSA but chose to bring this claim instead. Until the Second Circuit rules on whether the NSA provides a private cause of action, this remains an unsettled question.

At bottom, Defendant’s argument here begs the question. The argument is predicated on the assumption that the NSA preempts this cause of action—but that is the very predicate that, by hypothesis, this argument was meant to set aside. (See ECF No. 18-1 at 2 (“Even if the Court

were to consider the merits of Jefferson’s state-law claims, those claims do not state any claims for relief as pled, as each cause of action fails to satisfy elements of those claims under New York law[.]”).) As such, Plaintiff’s declaratory judgment claim is not duplicative, so there would be no reason to dismiss it. *Cf. Myers*, 171 F. Supp. 3d at 122 (dismissing complaint on all counts except declaratory judgment, because, *inter alia*, “no better or more effective remedy exists here”); *House of Eur. Funding I, Ltd. v. Wells Fargo Bank, N.A.*, No. 13 CIV. 519 RJS, 2014 WL 1383703, at *12 (S.D.N.Y. Mar. 31, 2014) (dismissing breach of contract claim but sustaining related declaratory judgment claim where the latter “[could] not be dismissed on the same grounds as” the former, because the questions presented were “independent”).

Accordingly, Plaintiff’s third cause of action should not be dismissed.

D. Account Stated

“To prevail on a claim for account stated, a plaintiff must establish the following elements: ‘(1) an account was presented; (2) it was accepted as correct; and (3) [the] debtor promised to pay the amount stated.’” *Yiwu Lizhisha Accessories Co. v. Jjamz, Inc.*, 336 F. Supp. 3d 179, 183 (S.D.N.Y. 2018) (internal citation omitted), *report and recommendation adopted*, No. 16-CV-6418 (JPO), 2019 WL 2763841 (S.D.N.Y. July 2, 2019). “The second and third requirements (acceptance of the account as correct and a promise to pay the amount stated) may be implied if ‘a party receiving a statement of account keeps it without objecting to it within a reasonable time or if the debtor makes partial payment.’” *Id.* (internal citation omitted). “An account stated assumes the existence of some indebtedness between the parties, or an express agreement to treat the statement as an account stated. It cannot be used to create liability where none otherwise exists.” *TV Tech Managers, Inc. v. Cohen*, 212 N.Y.S.3d 647, 651 (2d Dep’t 2024) (internal citation omitted).

“When an account is presented, ‘the absence of an objection made within a reasonable time’ may imply assent to the account and a promise to repay it.” *Design Partners, Inc. v. Five Star Elec. Corp.*, No. 12-CV-2949 (PKC), 2018 WL 3636700, at *8 (E.D.N.Y. Feb. 24, 2018) (quoting *Interman Indus. Prods., Ltd. v. R.S.M. Electron Power, Inc.*, N.E.2d 859, 861 (N.Y. 1975)); see also, e.g., *Morrison Cohen Singer & Weinstein, LLP v. Waters*, 786 N.Y.S.2d 155 (1st Dep’t 2004) (holding “invoices were retained without any objection for a sufficient length of time as a matter of law to establish defendant’s liability on the account stated cause of action”). However, “[t]o establish assent based on a defendant’s non-objection, there must be some pre-existing ‘indebtedness owing between the parties or an express agreement between the parties to treat the statement as an account stated[.]’” *Design Partners*, 2018 WL 3636700, at *8 (quoting *Gurney, Becker & Bourne, Inc. v. Benderson Dev. Co.*, 394 N.E.2d 282, 282 (N.Y. 1979)). To illustrate, the court in *Design Partners* found implied assent under both methods: The parties had a pre-existing commercial relationship governed by purchase orders and a consulting agreement that established payment obligations; and the defendant expressly promised to make payment if the plaintiff reduced certain billable hours, which the plaintiff did. See *id.*

Here, Plaintiff argues that by receiving the IDR determination and failing to move to vacate it or otherwise seek recourse as provided by the NSA, Defendant manifested “implied agreement that the CIDREs’ final determinations are correct.” (ECF No. 1-1 ¶¶ 110–111.) This argument fails, because the Complaint pleads neither a “pre-existing indebtedness owing between the parties” nor “an express agreement between the parties to treat the statement as an account stated[.]” *Design Partners*, 2018 WL 3636700, at *8. Absent these factual predicates, Defendant’s mere failure to challenge an arbitral award, without more, does not suffice to create an obligation under account stated. Cf. *SpecialtyCare, Inc. v. MedCost, LLC*, No. 2025-0011-

DH, 2026 WL 432302, at *12 n.46 (Del. Ch. Feb. 16, 2026) (addressing account stated claim under Delaware law, which is materially similar to New York law, and concluding: “I decline to hold that participation in an IDR proceeding constitutes adequate pleading of ‘agreement’ or ‘acknowledgement’ of a debt sufficient for an account stated claim.”).

Indeed, by its very nature, the IDR process presupposes conflict, which is antithetical to assent. By way of analogy, the Second Department in *TM 18 Realty, LLC v. Copper Wang, Inc.* held that defendants’ “failure to object could not be construed as assent to the correctness of the account” where the plaintiffs sent a statement of account after the defendants had accused the plaintiffs of failing to uphold their end of the bargain. 202 N.Y.S.3d 267, 269 (2d Dep’t 2023). So too here, United Health has disputed Plaintiff’s claims from the beginning. As such, its purported failure to object to the IDR determination (if it even did fail to object) cannot be construed as assent.

Accordingly, Count Four should be dismissed.

E. Promissory Estoppel

“In New York, promissory estoppel has three elements: ‘a clear and unambiguous promise; a reasonable and foreseeable reliance by the party to whom the promise is made, and an injury sustained by the party asserting the estoppel by reason of the reliance.’” *Cyberchron Corp. v. Calldata Sys. Dev., Inc.*, 47 F.3d 39, 44 (2d Cir. 1995) (internal citation omitted); accord *Sabre Int’l Sec., Ltd. v. Vulcan Cap. Mgmt., Inc.*, 944 N.Y.S.2d 36 (1st Dep’t 2012).

Here, Plaintiff’s claim for promissory estoppel fails on each element, because the Complaint provides only “threadbare recitals of [the] cause of action’s elements.” *Iqbal*, 556 U.S. at 663. With respect to a “clear and unambiguous promise,” Plaintiff alleges that “Defendant promised, through its participation in the NSA’s IDR process, to be bound by the

CIDREs’ final determinations and to pay the Awards as determined by the CIDREs”; specifically by “furnish[ing] EOBs to Plaintiff communicating that the claim in question is subject to the rules and procedures of the NSA.” (ECF No. 1-1 ¶¶ 124–125.) Plaintiff does not explain how “communicating that the claim in question is subject to the rules and procedures of the NSA” equates to a clear and unambiguous promise “to be bound by the CIDREs’ final determinations and to pay the Awards as determined by the CIDREs.” To the contrary, communicating that the claim in question is subject to the rules and procedures of the NSA is merely “descriptive,” which the New York Court of Appeals has held to *not* constitute a clear and unambiguous promise. *Bentkowski v. City of New York*, 275 N.E.3d 597 (N.Y. 2025) (“[T]he language in the SPDs is descriptive and for informational purposes only. The language on which petitioners rely—‘becomes eligible,’ ‘is provided,’ ‘provides,’ and ‘supplements’—is in the present tense.”).

With respect to the second element, “a reasonable and foreseeable reliance by the party to whom the promise is made,” the Complaint is even more conclusory. It merely states that “Defendant reasonably expected Plaintiff to rely on that promise as the EOBs convey to Plaintiff that it can seek additional reimbursement via the NSA.” (ECF No. 1-1 ¶¶ 126.) Likewise, with respect to Plaintiff’s reliance, the Complaint states, “Plaintiff relied on Defendant’s promise by participating in the NSA’s IDR process and foregoing other remedies to recover payment for the medical services Plaintiff rendered to Defendant’s members.” (*Id.* at ¶ 127.) Plaintiff does not elaborate on what other remedies it might have pursued in lieu of Defendant stringing it along with false promises of honoring the IDR process.

Finally, with respect to the third element, “an injury sustained by the party asserting the estoppel by reason of the reliance,” Plaintiff asserts that it “suffered damages as a result of

Defendant's failure to honor its promise to pay the Awards as determined by the CIDREs.” (*Id.* at ¶ 129.) This does not explain how Plaintiff was injured “by reason of [its] reliance”; rather, Plaintiff was injured by not being paid for the medical services it rendered.

In its opposition brief, Plaintiff does not elaborate or cite a single case to support its theory of promissory estoppel. (*See* ECF No. 20 at 17–18.)

Accordingly, because Plaintiff has provided nothing but conclusory, threadbare recitals of the elements of promissory estoppel, Count Six should be dismissed. *In re Vasu*, 129 F. Supp. 2d 113, 121 (D. Conn. 2001) (dismissing New York promissory estoppel claim where complaint was “conclusory”).

F. Quantum Meruit and Unjust Enrichment

“The theory of unjust enrichment lies as a quasi-contract claim. It is an obligation the law creates in the absence of any agreement.” *Diesel Props S.r.l. v. Greystone Bus. Credit II LLC*, 631 F.3d 42, 54 (2d Cir. 2011) (citation omitted). Quantum meruit and unjust enrichment claims are analyzed together as a single quasi contract claim. *Mid-Hudson Catskill Rural Migrant Ministry, Inc. v. Fine Host Corp.*, 418 F.3d 168, 175 (2d Cir. 2005). To state a claim for unjust enrichment under New York law, a plaintiff must show that “(1) the defendant was enriched; (2) at the plaintiff’s expense; and (3) that it is against equity and good conscience to permit the defendant to retain what is sought to be recovered.” *Ainbinder v. Money Ctr. Fin. Grp., Inc.*, No. CV 10-5270(SJF)(AKT), 2013 WL 1335997, at *8 (E.D.N.Y. Feb. 28, 2013), *report and recommendation adopted by* No. 10-CV-5270 (SJF)(AKT), 2013 WL 1335893 (E.D.N.Y. Mar. 25, 2013) (citation omitted). To state a claim for quantum meruit under New York law, a claimant must establish “(1) the performance of services in good faith, (2) the acceptance of the

services by the person to whom they are rendered, (3) an expectation of compensation therefor, and (4) the reasonable value of the services.” *Mid-Hudson Catskill Rural Migrant Ministry, Inc. v. Fine Host Corp.*, 418 F.3d 168, 175 (2d Cir. 2005).

Plaintiff’s theory of unjust enrichment fails on the very first element, as Defendant was not enriched. “[C]ourts have repeatedly held that providers cannot bring unjust enrichment claims against insurance companies based on the services rendered to the insureds.” *Rowe Plastic Surgery of New Jersey, L.L.C. v. Aetna Life Ins. Co.*, No. 23-CV-3632-SJB-LKE, 2025 WL 1940325, at *9 (E.D.N.Y. July 15, 2025) (quoting *Abira Med. Lab’ys, LLC v. Cigna Health & Life Ins. Co.*, No. 24-2837-CV, 2025 WL 1443016, at *2 (2d Cir. May 20, 2025)); *see also*, e.g., *Da Silva Plastic & Reconstructive Surgery, P.C. v. UnitedHealthcare Ins. Co. of New York, Inc.*, 226 N.Y.S.3d 294, 296 (2d Dep’t 2025) (“The cause of action alleging unjust enrichment was subject to dismissal because the medical services at issue were rendered at the behest of the subject members.”).

By the same token, Plaintiff’s quantum meruit claim must fail as well. “It is counterintuitive to say that services provided to an insured are also provided to its insurer. The insurance company derives no benefit from those services; indeed, what the insurer gets is a ripened obligation to pay money to the insured—which hardly can be called a benefit.” *Travelers Indem. Co. of Connecticut v. Losco Grp., Inc.*, 150 F. Supp. 2d 556, 563 (S.D.N.Y. 2001) (concluding plaintiff could not state a claim under quantum meruit); *see also*, e.g., *Laine v. Empire HealthChoice Assurance, Inc.*, 226 N.Y.S.3d 258, 261 (2d Dep’t 2025) (“Here, as the complaint alleges that chiropractic services were performed by the plaintiff at the behest of his patients, no claim in quantum meruit can be asserted against the defendant.”). Accordingly, Counts Five and Seven should be dismissed.

CONCLUSION

For the foregoing reasons, the undersigned respectfully recommends that Defendant's Motion to Dismiss Plaintiff's Complaint pursuant to Federal Rule of Civil Procedure 12(b)(6) (ECF No. 18) be **GRANTED**, because application of the NSA precludes assertion of the state-law claims. In the alternative, if the District Judge concludes that the NSA does not bar Plaintiff's state-law claims, then it is respectfully recommended that all be dismissed except for Count Three, namely, Declaratory Judgment.

OBJECTIONS

A copy of this Report and Recommendation is being electronically served on counsel. Any written objections to this Report and Recommendation must be filed with the Clerk of the Court within fourteen (14) days of service of this Report. 28 U.S.C. § 636(b)(1) (2006 & Supp. 2011); Fed. R. Civ. P. 6(a), 72(b). Any requests for an extension of time for filing objections must be directed to the district judge assigned to this action prior to the expiration of the fourteen (14) day period for filing objections. Failure to file objections within fourteen (14) days will preclude further review of this Report and Recommendation either by the District Court or the Court of Appeals. *Thomas v. Arn*, 474 U.S. 140, 145 (1985) ("a party shall file objections with the district court or else waive right to appeal"); *Caidor v. Onondaga Cnty.*, 517 F.3d 601, 604 (2d Cir. 2008) ("failure to object timely to a magistrate's report operates as a waiver of any

further judicial review of the magistrate's decision”); see *Monroe v. Hyundai of Manhattan & Westchester*, 372 F. App'x 147, 147-48 (2d Cir. 2010) (summary order) (same).

Dated: Central Islip, New York
September 17, 2026

RESPECTFULLY RECOMMENDED,

/s/ *James M. Wicks*
JAMES M. WICKS
United States Magistrate Judge

General Information

Case Name	Guardian Flight LLC et al v. AETNA Life Insurance Company Inc et al
Court	U.S. District Court for the District of Connecticut
Date Filed	Thu Apr 11 00:00:00 EDT 2024
Judge(s)	Michael P. Shea
Federal Nature of Suit	Statutes: Other Statutory Actions [890]
Docket Number	3:24-cv-00680
Parties	AETNA Life Insurance Company Inc; Global Medical Response, Inc.; REACH Air Medical Services, LLC; CVS Pharmacy, Inc.; Cigna Health and Life Insurance Co.; Reach Air Medical Services LLC; Aetna Health Inc; Aetna Health and Life Insurance Company; CVS Health Corporation; Calstar Air Medical Services, LLC; Med-Trans Corporation; Air Evac EMS, Inc.; Guardian Flight LLC; AirMed International, LLC