

NOT RECOMMENDED FOR FULL-TEXT PUBLICATION

File Name: 12a0100n.06

No. 10-3756

UNITED STATES COURT OF APPEALS  
FOR THE SIXTH CIRCUIT

**FILED**  
*Jan 27, 2012*  
LEONARD GREEN, Clerk

<b>FEDERAL WAREHOUSE COMPANY,</b>	)	
	)	
<b>Plaintiff-Appellant,</b>	)	
<b>v.</b>	)	<b>ON APPEAL FROM THE</b>
	)	<b>UNITED STATES DISTRICT</b>
<b>NATIONWIDE LIFE INSURANCE</b>	)	<b>COURT FOR THE SOUTHERN</b>
<b>COMPANY; RMTS, LLC,</b>	)	<b>DISTRICT OF OHIO</b>
	)	
<b>Defendants-Appellees.</b>	)	

**BEFORE: SUHRHEINRICH, GIBBONS and McKEAGUE; Circuit Judges.**

**PER CURIAM.** This case arises from an insurance contract dispute between Plaintiff Federal Warehouse Company (Federal) and Defendant Nationwide Life Insurance Company (Nationwide). Federal maintains a self-funded employee benefit welfare plan (the Plan) and purchased a claims paid, stop-loss insurance policy from Nationwide. RMTS, LLC (RMTS) serves as Nationwide’s underwriter. The policy promised to reimburse Federal for losses incurred from July 1, 2005 through June 30, 2007 and paid from July 1, 2006 through June 30, 2007.

Patient, a covered person under the policy, passed away on June 30, 2007.<sup>1</sup> Aware that Patient’s death was imminent and that a loss incurred after June 30, 2007, would not be covered under the parties’ contract, Federal procured Patient’s hospital’s interim billing on June 29, 2007. That same day, Federal transferred sufficient funds to cover Patient’s medical costs into the Plan’s

---

<sup>1</sup> Patient’s name has been withheld from all public filings in accordance with the Health Insurance Portability and Accountability Act (HIPPA).

No. 10-3756

*Federal Warehouse Company v. Nationwide Life Insurance Co., et al*

account and instructed its third-party processing service, HCH, to pay the claims. Although HCH prepared the checks on June 29, 2007, it neglected to mail them to Patient's healthcare providers until July 5, 2007.

On behalf of Federal, HCH sought reimbursement of Patient's healthcare costs. Acting for Nationwide, RMTS denied the request as untimely. Subsequently, Federal brought suit against Nationwide for breach of contract and vexatious delay in settling an insurance claim, and against RMTS for tortious interference with contract. The district court granted Defendants' motion for judgment on the pleadings. Federal appeals.

After carefully reviewing the district court's opinion, applicable law and the parties' briefs, we conclude that the district court was correct to grant Defendants' motion. The stop-loss insurance contract between Federal and Nationwide was neither ambiguous nor illusory, as Federal suggests. Had HCH placed the prepared checks in the mail on or before June 30, 2007, Federal's loss would have been incurred during the covered period and reimbursement would have been required. HCH's failure to mail the checks until July 5, 2007, renders Federal's insurance claim untimely. Federal's remaining claims are derivative of its breach of contract allegation; because there was no breach of contract, these claims cannot stand.

As the district court correctly analyzed the issues presented, a full written opinion by this court would serve no useful purpose. Accordingly, for the grounds stated in the district court's thorough and well-reasoned opinion dated May 24, 2010, we **AFFIRM**.