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# High-Dollar Health-Care Case Schools Business

*Litigation: Northridge firm secures big benefits for son of injured employee.*

By **JOEL RUSSELL**

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Kantor & Kantor LLP has won a high-profile health insurance case that provides a lesson for all business owners and employees just as implementation of health reform looms on the horizon.

The Northridge firm, which specializes in representing health, life and disability policyholders, prevailed in the case of Ana Martinez v. The Beverly Hills Hotel and Bungalows Employee Benefit Trust Employee Welfare Plan. The U.S. Ninth Court of Appeals ruled on the case Aug. 19.

In 2005, Martinez's son, Steve, had a seizure at school that caused permanent damage. He requires a ventilator, breathing tube and feeding tube. Martinez sued Los Angeles Unified School District for negligence and won \$7 million, which went into a trust fund for the boy's needs.

Martinez also worked at the Beverly Hills Hotel and had company health insurance for herself and her son. The insurance paid for the son's care until 2008, when it decided that it wouldn't pay because the trust fund or Medi-Cal should cover it.

Kantor & Kantor filed a lawsuit on behalf of the mother. The court found that the insurance "administrator simply erred in denying Martinez benefits" and "the proper remedy under the circumstances was to order the payment of benefits."

Lisa Kantor, founding partner at the 13-attorney firm, said the case shows that insurers often don't follow their own contractual obligations. Under health care reform, there are mandatory coverage items and terms, so it's important that employers and their workers read the policies.

"Business owners, especially with Obamacare, need to be careful what they are buying and offering employees," she said. "For many years, an agent would come in to see me, slap down a policy and I would pay the premium to cover my employees. But it's not only about the premium – it's about coverage. Business owners need to ask more questions."

Kantor said business is brisk because people are becoming more assertive in challenging denials of coverage by insurers. After a company denies coverage, policyholders need to appeal the decision back to the company within six months; otherwise, they lose the right to take the case to court.

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