

First District Revives Lab Retirees' Benefits Suit

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SAN FRANCISCO — The First District Court of Appeal is giving retired Lawrence Livermore National Laboratory employees a second chance at health benefits they lost after Congress privatized the lab five years ago.

A three-judge panel ruled Monday that four retirees can sue the University of California for allegedly failing to make good on an implied contract for guaranteed lifetime health benefits comparable to other UC employees'.

Alameda County Superior Court Judge Frank Roesch erred in sustaining the university's demurrer, Justice Barbara Jones wrote, while noting that Roesch didn't have the benefit of the California Supreme Court's 2011 ruling in [Retired Employees of Orange County v. County of Orange](#). "In *Retired Employees*, the California Supreme Court held that very similar allegations were sufficient to state a claim for breach of implied contract," Jones wrote in an unpublished opinion in [Requa v. Regents of the University of California](#).

Four former employees who worked at the lab for more than 30 years each petitioned for a writ of mandate in 2010 after their benefits were scaled back. They pointed to booklets issued by the university during the 1970s and '80s that made statements like, "When you retire you can keep your health, dental and legal plan

coverages," and "employer contribution continues during retirement." In addition, the university provided retirement benefits comparable to other UC employees throughout their employment, they allege.

But since Congress reassigned responsibility for the lab to a public-private consortium, the employees have been forced to pay more for inferior health coverage, they allege.

[On appeal](#) the university argued the plaintiffs "provided no documents that clearly evince" an intent to provide lifetime health benefits. Jones wrote that the court was "puzzled" by the contention. "To prevail on appeal, retirees are not required to show they already possess the evidence that will prove their case," she wrote. "The only question before us is whether the allegations of the [petition] are sufficient to state a cause of action under any legal theory."

Justices Mark Simons and Terence Bruiniers concurred.

Dov Grunschlag of Carter Carter Fries & Grunschlag [argued](#) the case for the retirees. Joseph Quinn of Hanson Bridgett argued for the university.