

# Superior Insurance Advisors Publishes Case File on Broker Pay Disclosure and Health-Plan Litigation

*Citing the 2021 disclosure law, recent ERISA filings with case numbers, and FTC findings, the case file outlines steps for plan fiduciaries.*

GARY, IN, UNITED STATES, July 2, 2026 /EINPresswire.com/ -- [Superior Insurance Advisors](#), an independent employee benefits advisory firm, has published "The Conflicted-Broker [Playbook](#)," a research compilation that gathers the public record on broker compensation disclosure requirements and recent litigation involving employer-sponsored health plans. The document is intended as an

educational resource for employers, chief financial officers, and benefits committees and assembles federal statutes, court filings, and government reports into a single reference.

A central focus of the compilation is the Consolidated Appropriations Act of 2021. Under ERISA Section 408(b)(2)(B), brokers and consultants to a group health plan must disclose, in writing and in advance, the direct and indirect compensation they expect to receive. The Department of Labor has stated that when a covered service provider does not make the required disclosure, the arrangement may be treated as a prohibited transaction, with compliance obligations resting on the plan fiduciary.

"The law assumes a broker may have a compensation conflict and directs the employer to identify and address it," said Paul H. [Flowers Jr.](#), founder of Superior Insurance Advisors and author of "The Hidden Healthcare Gold Mine." "Our view is that many employers do not realize this duty is theirs. We encourage every plan sponsor to request their broker's complete written compensation disclosure."

The compilation summarizes a group of ERISA class actions filed on December 23, 2025.



According to the complaints, the plaintiffs allege that named brokers acted as functional fiduciaries and received commissions described as ranging from 22 percent to 40 percent of premiums on employee-paid voluntary benefits. The matters include *Pimm v. United Airlines*, No. 1:25-cv-15581 (N.D. Ill.), naming Mercer; *Braham v. Labcorp*, No. 1:25-cv-15583 (N.D. Ill.), naming Willis Towers Watson; *Brewer v. Community Health Systems*, No. 1:25-cv-15578 (N.D. Ill.), naming Gallagher; and *Fellows v. Universal Services of America*, No. 1:25-cv-10659 (S.D.N.Y.), naming Mercer and Lockton. The allegations are unproven, the named brokers deny them, and the courts have not ruled on the merits.

"If a complaint can allege commissions in that range, a benefits committee has a reason to ask what its own broker is paid," said Flowers.

The compilation also notes related litigation in which plan participants have brought ERISA claims against their own employers over health-plan costs. According to court records, in *Stern v. JPMorgan Chase*, No. 1:25-cv-02097 (S.D.N.Y.), the court permitted a prohibited-transaction claim to proceed; earlier claims in *Lewandowski v. Johnson & Johnson*, No. 1:24-cv-00671 (D.N.J.), and *Navarro v. Wells Fargo*, No. 0:24-cv-3043 (D. Minn.), were dismissed for lack of standing. In *Oregon Potato Co. v. Marsh & McLennan Agency*, No. 4:25-cv-05139 (E.D. Wash.), the court denied a motion to dismiss and declined to determine fiduciary status based on a contract label, according to its order. Allegations in pending matters are unproven and are described here as stated in the court filings.

Broker compensation practices were also the subject of a New York regulatory investigation in 2004 and 2005, after which several brokerages established restitution funds, according to public records and corporate filings. Separately, the compilation notes that the Blue Cross Blue Shield antitrust litigation (MDL 2406, N.D. Ala.) resolved through settlements totaling approximately \$5.47 billion, without admission of wrongdoing, with self-funded employers among the subscriber class.

On pharmacy costs, the compilation cites the Federal Trade Commission. In interim staff reports issued in July 2024 and January 2025, the FTC reported that the three largest pharmacy benefit managers marked up certain specialty generic drugs and generated more than \$7.3 billion above estimated acquisition cost between 2017 and 2022.

The Playbook closes with a checklist that Superior Insurance Advisors describes as a documented review process for plan sponsors. "Our position is that an independent advisor with



Paul H. Flowers Jr.

fully disclosed flat-fee compensation, a pass-through pharmacy contract, and a documented selection and monitoring process reflects the prudent process ERISA contemplates," said Flowers. Superior Insurance Advisors states that it uses document and claims analysis, including artificial-intelligence tools, to review plan compensation and contracts for employers.

Superior Insurance Advisors is not a party to, and does not represent any party in, any of the matters referenced. The matters are identified by case number for verification, and all allegations are attributed to the corresponding court filings. Settlements referenced in the compilation were resolved without admission of wrongdoing. The compilation is provided for educational purposes and is not legal advice.

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