

## CLIENT ALERT

### Lawyer Shoots Self in Foot with Shotgun Approach to Litigation

April 5, 2017

On April 4, 2017, in *US ex rel. Hayes v. Allstate Insurance Co.*, the Second Circuit joined the D.C. Circuit in holding that the “first-to-file” rule is not jurisdictional; rather it goes to whether the plaintiff has stated a claim on which relief may be granted. In an accompanying non-precedential Summary Order, the court also upheld dismissal with prejudice as to the relator, an attorney, for violating Rule 11 by alleging that more than sixty companies – largely insurance companies – were systematically non-compliant with certain statutory obligations to reimburse Medicare even though he had no personal knowledge that *all* named companies had participated. In affirming the lower court, the Second Circuit concluded that denial of leave to amend to *add* 38 new defendants was not an abuse of discretion.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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