The lawyer at the heart of America’s benefits revolution

David Levine, of Groom Law Group, has spent 28 years at the center of American employee benefits. He talks courtroom battles, the DNA privacy gap, and why right now is the most consequential moment the industry has ever seen.

Benefits

By Susan Essex

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The founding story of Groom Law Group does not begin with a vision statement or a boardroom strategy. It begins with a car company that went under.

Studebaker, one of America's most storied automobile manufacturers, collapsed in the 1960s. It had promised pension benefits to its workers. But when the doors closed, there was no money in the plans to honor those promises. Thousands of employees were left with nothing.

Congress responded. The Employee Retirement Income Security Act, better known as ERISA, was signed into law in 1974. One year later, Ted Groom founded the firm that bears his name. Today, Groom Law Group employs around 100 attorneys and is widely regarded as the largest employee benefits practice in the United States. It is, by any measure, a specialist operation. "This is all we do," says David Levine (pictured), the firm's chair and a principal in the firm. And the scope of that specialism is broader than most people realize.

"Benefits is a very diverse area," Levine explains. "There are tax elements, there are labor elements, some of it is healthcare, some of it is retirement, and some of it is other benefits like disability or vacation leave programs. There is policy work, there is litigation in the courts, there is product design, there is representing various participants in the retirement ecosystem, and we do it all."

The accidental generalist

David Levine joined Groom in 1998 as a very junior attorney. Twenty-eight years later, the role has evolved in ways that might surprise those who picture benefits law as a narrow technical discipline.

“My anchor was originally in tax,” Levine reflects, “but I am more of a generalist than a pure specialist these days.” It is an unusual self-description for a lawyer, but it speaks to the reality of a practice that can shift from pension plan governance to product design to regulatory enforcement within a single working week.

The chair’s role at Groom is to support, the managing partner. “I work hand in hand with our managing partner, but our managing partner runs the firm,” Levine says. “No two days are the same.” Much of the day is spent in meetings and on calls with clients. The substantive legal drafting, by necessity, often happens after hours.

Employers under pressure: the changing shape of the benefits package

Ask any senior benefits attorney about the defining force in their field and the answer is consistent: cost. It has always been there, and it is not going anywhere.

“It has and will always be cost pressure,” Levine says. But within that constant, the landscape has shifted dramatically. Thirty years ago, a competitive benefits package might have combined a defined benefit pension plan with traditional health insurance that covered almost everything beyond a small deductible. Neither of those structures dominates the market today.

On the retirement side, the shift from defined benefit plans to defined contribution vehicles such as 401(k)s is well documented. On the healthcare side, account-based structures have moved to the center: Health Savings Accounts have become the architecture of choice for

many employers looking to manage costs for their employees' coverage while maintaining meaningful coverage.

Now a new layer of complexity is emerging: the recognition that a workforce spanning four generations may not want the same things from a benefits package. The response from the legal and regulatory world has been notable. Groom Law Group recently obtained a ruling from the Internal Revenue Service that allows employees to direct benefit dollars toward whichever priority matters most to them, whether that is health coverage, retirement savings, or another benefit entirely. "It gives people choice," Levine says. "That is an example you see a lot of."

The conversation has also turned, in a way that would have seemed remarkable a decade ago, to the nature of retirement income itself. Defined contribution plans were built around the accumulation of savings and were not anchored in. Converting those savings into a guaranteed income for life, as the retirement wave accelerates, this need has become more apparent. The response is a new generation of investment products, structured to feel like a collective investment trust or mutual fund, but include a lifetime income feature. "Everything old becomes new again," Levine observes. "It is true. We repeat ourselves at times. It comes in different versions, but history does repeat itself. Fifty years ago annuity contracts dominated retirement benefits and now they are coming back into favor."

The courts are listening

Litigation in the American benefits world is not a marginal concern. It is, by any measure, a central feature of the landscape, and it is growing.

On the retirement side, the case law is well established. Fee disputes, investment return challenges, questions about plan administration and benefit calculation: these have kept courts busy for years and show no sign of slowing. Well over 100 such cases are filed annually, brought as class actions on behalf of all plan participants.

What is newer, and in some ways more revealing about where the industry is heading, is the wave of litigation now building on the health and welfare side.

Cases involving COBRA notice compliance have been filed for years, often turning on the precise language of administrative communications. More recent litigation concerns tobacco

surcharges embedded in wellness programs: whether they were structured correctly, whether the rules were followed, whether the incentives were lawful. “There’s a lot of lawsuits right now about that,” Levine notes, with characteristic directness.

Newer still is a category of case that challenges the overall cost of healthcare itself, asserting that plan participants are being charged too much. Levine is skeptical of the merits but acknowledges the trend. “They’re very new,” Levine says. “But there are new lawsuits and theories being introduced all the time.”

The year transparency arrived

Two things happened in 2026 that the benefits industry will be absorbing for years.

The Consolidated Appropriations Act of 2026, passed as part of routine government funding legislation, embedded sweeping new fee disclosure and transparency requirements for health plans into law. While the original focus was on pharmacy benefit managers. The reality is considerably broader. “It is actually much broader,” Levine says. “It is about service providers across healthcare.” At around the same time, the Employee Benefits Security Administration at the Department of Labor put out proposed rules on fee disclosure, arriving at roughly the same destination from a different regulatory direction.

The combined effect is a step-change in what employers, plan participants, and regulators will be able to see about health plans. That visibility may impact the current wave of health litigation. The plaintiffs’ bar will certainly be paying attention.

Fertility benefits and specialty care have moved from the margins to the mainstream with comparable speed. Programs that layer additional coverage on top of the minimum essential coverage required under the Affordable Care Act, covering cancer treatment, fertility, and a range of other conditions, are proliferating. “It is important, whether you are building these products or consuming them as an employer, to really understand how they work,” Levine advises. “Some of them are great. But some of them are probably more aggressive.”

The example Levine gives is instructive. One fertility benefits provider currently offers two versions of its product. One is, in Levine’s view, structured in a way that regulators might have questions about. It is heavily marketed and lightly disclaimed. The other operates within a more clearly defined regulatory framework. Employers, naturally, are drawn to the

first. “Employers see the one that is super flexible and say: this is great,” Levine says. Understanding the difference, and being equipped to explain it, is precisely where sound legal counsel earns its place.

Your DNA and who owns It

Few conversations in employee benefits carry quite the weight of a question about genetic data. The science has moved faster than the law, and the gap between them is where the risk lives.

The United States has two primary legal frameworks covering this territory. The Genetic Information Non-discrimination Act, known as GINA, prohibits certain uses of genetic information in employment and benefits contexts. HIPAA’s protections for personal health information have been a cornerstone of healthcare privacy since 1996. Both are meaningful. Neither is watertight.

“Those laws were written at different points in time and were designed for particular scenarios,” Levine explains. “There can be gaps.” The most striking example: if an individual signs up voluntarily for a prescription discount card from a pharmaceutical company, outside of a formal healthcare setting, that transaction may not be covered by HIPAA. The information provided could, in certain circumstances, be sold.

The cautionary tale is 23andMe, the consumer genetics company that filed for bankruptcy and triggered a national conversation about what happens to intimate personal data when the entity holding it undergoes a fundamental change. “When the company went through bankruptcy proceedings, people were genuinely concerned about what would happen to their genetic data,” Levine recalls. Public pressure ultimately shaped the outcome, but the case underscored a structural vulnerability that neither GINA nor HIPAA was designed to address.

“It is not as simple as assuming that all genetic or health information is protected,” Levine says. “Some of it is, and robustly so. But there are gray areas.” For employers selecting genetics-informed benefit programs, and for insurers building them, understanding precisely which framework applies, and where it does not, will likely be on the radar.

The advice every builder in this space needs

The insurance industry is nothing if not entrepreneurial, and the employee benefits space is attracting capital, creativity, and competitive energy from every direction. Levine has a clear message for those looking to build new products in this environment.

“This is a great time of opportunity,” Levine says. “Whether they are core products or non-standard lines of business in the insurance space, there is a lot of opportunity.”

The caution that follows is equally direct. “In a world of Silicon Valley, with the phrase of ‘move fast and break things,’ and in our world of AI, where you look at various companies, where their uptime is 98 percent, the question is: would you want your car working only 98 percent of the time when you are driving?” Innovation, in other words, is not the risk. Underprepared innovation is.

“Lawyers get a bad reputation sometimes, that we are the people of no,” Levine acknowledges. “But there can be collaborations between the end customer and the people who help design, like us, the lawyers, to really think about market fit, but also how to fit within the rules, or to adapt the rules and get them adapted.”

It is the kind of framing that redefines what a law firm does. Not obstacle. Not gatekeeper. Partner in design, with the regulatory map already in hand.

Beyond the office: mountains, miles and a bicycle

For someone who freely admits that much of the serious work happens after hours, the question of how to decompress matters more than it might for most. The answer, in David Levine’s case, involves considerable elevation.

An enthusiastic cyclist, Levine notes with dry humor that even the “flat” roads in some areas can have significant hill climbs.