NONPRECEDENTIAL DISPOSITION

To be cited only in accordance with Fed. R. App. P. 32.1

United States Court of Appeals

For the Seventh Circuit
Chicago, Illinois 60604

Argued May 12, 2026
Decided June 16, 2026

Before

FRANK H. EASTERBROOK, *Circuit Judge*

NANCY L. MALDONADO, *Circuit Judge*

REBECCA TAIBLESON, *Circuit Judge*

Nos. 25-2550 & 25-2591 FRANK HAYS, *Plaintiff-Appellant*, *v.* NATIONAL FIRE & MARINE INSURANCE CO., *Defendant-Appellee*.	Appeals from the United States District Court for the Northern District of Illinois, Eastern Division. Nos. 1:21-cv-03653 & 1:22-cv-01697 Sunil R. Harjani, *Judge*.

O R D E R

One principal question in this litigation under the diversity jurisdiction, 28 U.S.C. §1332, is whether attorneys' fees awarded under the Illinois Nursing Home Care Act are "damages" for the purpose of a particular insurance policy. The district judge issued two opinions holding that the answer is "no" but reserving for future decision other issues, such as the effect of equitable estoppel. 2024 U.S. Dist. LEXIS 183976 (N.D. Ill. Oct. 8, 2024); 2025 U.S. Dist. LEXIS 49646 (N.D. Ill. Mar. 18, 2025).

Two of the parties then engaged in settlement negotiations and reached a deal on some questions but not others. The insurer agreed to pay $95,000 to resolve what the

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settlement agreement calls the "Remaining Claims" but adds: "The parties do not intend to settle the claims associated with the Partial Summary Judgment Orders as they relate to the awards of expenses (limited to $40,000) and $666,000 for attorneys' fees under the Illinois Nursing Home Care Act in the Hays Judgment, or post judgment interest on such claims". (This agreement uses "claims" in a way that differs from Fed. R. Civ. P. 8. As in their appellate briefs, the parties treat each legal theory and each potential remedy as a separate "claim." That is not correct. See, e.g., *Roberts v. Smith & Wesson Brands, Inc*., 98 F.4th 810, 814–15 (7th Cir. 2024).)

On August 6, 2025, after the partial settlement was signed, the district court entered two identical orders on the form normally used for Rule 58 judgments. Each order reads: "Judgment is entered in favor of NFM [the insurer] on the issue of indemnification of attorneys' fees in light of the Court's granting of NFM's motion for summary judgment in the Court's amended memorandum opinion and order dated March 18, 2025." Hays filed two notices of appeal, one from each order.

As Rule 58 judgments, the August 6 orders are deficient. A proper judgment ends the case and specifies the relief to which the prevailing party is entitled. See, e.g., *Reytblatt v. Denton*, 812 F.2d 1042 (7th Cir. 1987); *Greenhill v. Vartanian*, 917 F.3d 984, 987 (7th Cir. 2019). These documents, however, do not purport to end the case. They purport to resolve a single issue—without saying even so much as what relief the insurer gets, against whom, on that issue. The financial stakes of the case do not draw a mention.

Both sides appear to have recognized that something is amiss. The briefs filed in this court assert that appeal is authorized by Fed. R. Civ. P. 54(b). That is wrong. Rule 54(b) authorizes an immediate appeal from an order resolving all claims with respect to a single party, or all parties with respect to a single claim. The documents of August 6 do not satisfy either branch of Rule 54(b).

There is a further problem because the suits named Glencrest Healthcare & Rehabilitation Centre Ltd. as a defendant. The district court's opinions and orders leave its liability, if any, unresolved. Although the orders of August 6 identify Glencrest as a litigant, they do not finally resolve the litigation concerning it. Glencrest also did not join the partial settlement. The appellate briefs proceed as if it were no longer a party, but it has not been dismissed. The district court's work is not over until all claims affecting Glencrest have been resolved.

We directed the parties to file post-argument memoranda addressing the question whether we have appellate jurisdiction, given the defects in the August 6 orders and the settlement agreement's identification of unresolved issues (plus the district

judge's own identification of estoppel as an unresolved issue). Hays insisted that we have jurisdiction because the settlement agreement effectively dismisses with prejudice all claims other than the question whether attorneys' fees are "damages." The insurer, for its part, asked us to dismiss the appeal for lack of jurisdiction because the settlement agreement does not resolve any issues with prejudice, leaving the August 6 orders as interlocutory. The insurer contends that the reason for the peculiar orders entered on August 6 is that the parties disagree about which issues have been settled and which have not, which led them to be unable to draft a final judgment for the district court's approval.

Parties cannot bypass the requirements of Rule 54(b) to litigate selected issues on appeal, in the expectation that they will return to the district court to finish their case and then take a second appeal. See, e.g., *Horwitz v. Alloy Automotive Co.*, 957 F.2d 1431, 1435–37 (7th Cir. 1992). Appeal is proper only when a partial judgment complies fully with Rule 54(b), when the district court certifies issues under 28 U.S.C. §1292(b) (and this court accepts the appeal in its discretion), or when a final judgment under Rule 58 ends the case. None of those requirements has been satisfied.

The appeals are dismissed for want of jurisdiction. If a later judgment finally disposes of the entire dispute, any appeal will return to this panel. The briefs already on file may be supplemented as necessary.