

Insurance Coverage Team Defeats Bad Faith Claim that Insurer Wrongfully Settled Some Claims to Avoid Payment on Others

5.4.17

The Insurance Coverage team successfully beat back coverage and bad faith claims brought against its insurance company client, a primary carrier, which was accused of breaching its insurance policy and committing bad faith by exhausting its policy limits in settlement of two claims despite the possibility that other claimants injured in the same accident may come forward and sue the insured. The insured filed several amended complaints, each time asserting different theories of liability against the insurer. Each time, White and Williams beat back the claims at the initial pleading stage by filing Preliminary Objections causing the insured to withdraw or the court to strike deficient claims. At the same time, the team secured a discovery order directing the insured to produce its full files. Rather than attempt to file yet another complaint and to avoid having to respond to the ordered discovery, the insured agreed to dismiss all claims, with prejudice. This was not only a complete victory for the client, but also a cost-efficient one given that the win occurred during such an early phase of the case.

Gale White, Tony Miscioscia and Luke McDaniels represented the insurer in this case.