

Bad Faith Insurance....

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level seen in malpractice suits. More correctly, say the Pennsylvania Trial Lawyers Association - which supports the Bill - there is no reason to believe that juries who routinely wade confidently through evidence, and table verdicts in sometimes complex negligence and criminal cases, would not

be equally competent dealing with bad faith trials.

Senator Greenleaf's Bill is currently before the Senate Judiciary Committee. Meantime, the trend continues in the insurance industry to dig in their heels when asked to pay out a claim, even for long-term clients who have paid their premiums diligently. Not all insurance companies stoop to fraud and misrepresentation, and most - even with the infrequency of contact - are a pleasure to do busi-

ness with. A contract is a contract after all, and any breach of contract by either party is grounds for litigation. Even so, it's no secret that the industry is making it just a bit tougher for you to collect.

As an aside, later this month filmmaker Michael Moore turns his lens on the health care and health insurance industries with his movie 'Sicko'

Perhaps, one day, he might consider doing the same for insurance.



Settlement Ends Appeal Of Verdict In Major Katrina Insurance Case AP

NEW ORLEANS_In a major Hurricane Katrina-related insurance case, Allstate Insurance settled a post-trial legal dispute with a policyholder who was awarded more than \$2.8 million (€2 million) by a federal jury over hurricane damage, a company spokesman and a lawyer for the homeowner said Thursday.

The verdict had been the first of hundreds of lawsuits that Louisiana policyholders filed against their insurers in federal court in Katrina's aftermath.

Terms of the agreement between Allstate and policyholder Robert Weiss were not disclosed.

"There's really nothing left to be done in the case except finalize the settlement," said Richard Trahan, a lawyer for Weiss.

On April 16, jurors decided that the insurer did not pay Weiss enough money to cover wind damage to his home. Allstate blamed most of the damage on Katrina's storm surge, which was not covered by its homeowner policies.

After the trial, the company asked a U.S. District Court judge to order a new trial or reduce the jury's "irrational verdict."

"The jury's verdict in this case is clearly the product of passion and prejudice and is not supported by the evidence," Allstate attorney Judy Barrasso wrote, adding that the jury's award exceeded the limits of Weiss' policy.

Weiss' attorneys said the evidence supported the verdict.

The two sides reached their undisclosed agreement before the judge ruled.

The jury concluded that Allstate owed Weiss \$561,600 for wind damage to his home and its contents, plus another \$2.25 million in damages and penalties for not paying the claim quickly enough following the Aug. 29, 2005, storm.

Court to Hear Katrina Insurance Appeal

AP

A federal appeals court has set Aug. 6 as the date to hear arguments on whether Nationwide Mutual Insurance Co. should be forced to cover storm surge damage to a couple's home from Hurricane Katrina.

Oral arguments will be heard before 5th U.S. Circuit Court of Appeals only a few weeks before the second anniversary of the hurricane, which ravaged Louisiana and Mississippi on Aug. 29, 2005.

Nationwide appealed a 2006 decision by U.S. District Judge L.T. Senter Jr. that Paul and Julie Leonard of Pascagoula cannot collect damages from storm surge caused by Katrina because Nationwide's policies do not cover wind-driven water damage.

Senter said the Leonards could, however, be compensated for damage that they can prove was caused by high winds.

If Senter's ruling stands, it could set a precedent for hundreds of other court challenges to the insurance industry for denying billions of dollars in claims after the hurricane.