

Bridgeman v. Woodmen

Year: 2019

Court: Commonwealth of Kentucky Supreme Court

Case Number: 15-CA-000720

****Update 4/25:** The Kentucky Supreme Court dismissed the petition as settled. Immediately upon the Supreme Court's acceptance of United Policyholder's amicus brief, the insurer (Woodmen) paid the claim. The amicus brief was the impetus/trigger to a successful result for the insured's beneficiaries. Thank you again to Grabhorn Law for representing United Policyholders on these important policyholder issues. This case involves an important issue that impacts all policyholders: The right to have a claim dispute resolved fairly in open court, not in private. When it comes to a fair evaluation of whether an insurance company followed the law and delivered on its promises when handling a claim, there is no substitute for a jury trial in open court. Juries are neutral, and unlike arbitrators, they don't earn their living billing insurance companies. So they can "call balls and strikes" fairly without worrying whether their decision on a dispute will get them into hot water with a source of their income. Not surprisingly, insurance industry advocates have worked long and hard to prevent insureds from being able to bring claim disputes to juries in open court in civil trials. They've done this by putting language in insurance policies that force their customers to waive their right to a jury trial and instead have disputes resolve in private through arbitrations where one arbitrator – not a jury – is the decider. Industry advocates have also succeeded in convincing courts and state legislatures to favor arbitration of insurance disputes. UP and our consumer advocate partners are fighting back against this trend. In this brief, UP pointed out to the Court that since 1891, Kentucky has provided a constitutional "right of trial by jury" with the proviso that the right be "held sacred." Against this significant constitutional protection is the right to contract – specifically, in this case, to waive the right of trial by jury in favor of mandatory arbitration. Where this right is to be replaced by private mechanisms, such as mandatory arbitration, specific requirements must be satisfied. Amicus curiae United Policyholders submits Woodmen's unilateral arbitration language failed to satisfy each of Kentucky's applicable statutory requirements and, therefore, the Court should find the language unenforceable.

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