

Kerrigan v. Metropolitan Life Insurance Company

Year: 2014

Court: New York Court of Appeals

Case Number: 111775/2003

“Post-claims underwriting” describes the scenario where an insurer waits until after the insured makes a claim to investigate whether the insured is eligible for coverage based on the risk he or she presents. Post-claims underwriting (also referred to as “post-loss underwriting” or “retroactive underwriting” in the property insurance context) occurs where an insurer seeks to deny coverage for claims based on information it could have ascertained at the time of application but chose not to or knew yet accepted the application for coverage. UP argued in its brief that New York should have a rule of law that sets a high threshold for an insurer that wants to yank out a financial security net from under an insured. An insured who has been accepted for coverage and dutifully pays their premiums should be able to rely on the financial security net that is insurance when needed.

UP's brief was authored by Executive Director Amy Bach, Esq. and Staff Attorney Dan Wade, Esq.