

## **Monarch et al v. National Union Fire Ins. Co.**

Year: 2015

Court: New York Court of Appeals

Case Number: 102187/11

Under the California Insurance Code, the Worker's Compensation Insurance Rating Bureau is required to submit policy forms to the Department of Insurance for review before they may be approved for sale to the public. Insurers may not alter policy forms after they are reviewed and approved by the Department of Insurance. However, in this case, the carrier inserted payment agreements known in regulatory-speak as "collateral" agreements after the review and approval process. The policies were sold in California, to California companies, but called for New York arbitration, thus the case is venued in New York courts. The New York Appellate Division, relying on California law, properly held that the payment agreements were illegal under California law and void as against public policy. The carriers appealed despite recent cases and enforcement actions taken by the Department of Insurance with almost identical facts. UP urged the Court of Appeals to affirm.

UP's brief was authored by UP Executive Director Amy Bach, Esq. and Staff Attorney Dan Wade, Esq. Of Counsel: Jean F, Gerbini, Esq. of Whiteman Osterman and Hanna LLP (pro bono)