

## <u>Peterson v. Western National Mutual</u> <u>Insurance</u>

Year: 2019 Court: Supreme Court of Minnesota Case Number: A18-1081

In its brief, UP weighed in on Minnesota's bad faith statute, § 604.18, in order to protect Minnesota policyholders when an insurance company does not complete a reasonable investigation of a claim. UP weighed in to avoid a narrow reading of the statute which would not allow insurers to be held liable under for bad faith if they are able to provide any evidence whatsoever in support of coverage denial—effectively rending the statute meaningless.

Instead, UP argued that Minn. Stat. § 604.18, subd. 2(a) supports the Court of Appeals' application of the *Anderson* framework, which is to say that insurance companies are required to conduct a reasonable claims investigation or risk facing liability. UP supports this argument with legislative history and elaborates on the Court of Appeals correct analysis and proper application of this standard.

UP further argued that the Court of Appeal's decision properly balances the rights of policyholders with that of insurers.

## UPdate: UP and our volunteer drafters secured a win for Minnesota policyholders and bad faith causes of action! See the opinion, attached.

This brief was drafted pro bono by Timothy Johnson and Karly A. Kauf of Smith Jadin Johnson, PLLC

The information presented in this publication is for general informational purposes and is not a substitute for legal advice. If you have a specific legal issue or problem, United Policyholders recommends that you consult with an attorney. Guidance on hiring professional help can be found in the "Find Help" section of <u>www.uphelp.org</u>. United Policyholders does not sell insurance or certify, endorse or warrant any of the insurance products, vendors, or professionals identified on our website. Source: https://uphelp.org/amicus-briefs/peterson-v-western-national-mutual-insurance/ Date: November 23, 2024