Bad faith claims against insurers on the rise; how they can remain in good graces, Reuters, authors Michael Zigelman and Kevin Yombor, August 18, 2022

It appears that there is a growing trend throughout the United States that is reducing barriers and making it easier for insureds to establish their bad faith claims against their insurers, thereby expanding the scope of an insurer’s potential exposure to claims of bad faith. In light of these recent decisions, it is paramount for insurance carriers to take great care to follow the ever-changing landscape in those jurisdictions where they issue policies and/or handle claims.

For example, in McNamara v. Government Employees Ins. Co., (30 F.4th 1055 (11th Cir. 2022)), the 11th U.S. Circuit Court of Appeals recently held that Florida law allows for consent judgments to constitute excess judgments that could satisfy the causation requirement for a bad faith claim.

Read full article published in Reuters Legal News here.

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