

Shuttered Courts Led to Increase in Settlements, Business Insurance, ft. Patrick Kennell

Patrick Kennell, partner, was quoted in a *Business Insurance* article written by Matthew Lerner, published on May 4, 2020.

Court closures forced by the COVID-19 pandemic had an indirect effect on some insurance claims disputes by removing a major avenue of resolution, attorneys say.

There was “a lot of rush to settle cases,” especially in the early days of the pandemic, due to the uncertainty brought on by the lack of access to courts, said Patrick Kennell, New York-based co-chair of the insurance coverage and litigation practice group at law firm Kaufman Dolowich & Voluck LLP. Defendants’ and plaintiffs’ “appetite to resolve them was really high,” he said.

Court closures “definitely changed the way both sides approached mediation and alternative dispute resolution negotiations because there’s a perception that with more limited access to the courts, deals should be done,” Mr. Kennell said.

The court closures also removed a bargaining chip for plaintiffs, said Joseph Miele, an insurance coverage partner at Kaufman Dolowich in Fort Lauderdale, Florida. “The fact that courthouses are closed and a plaintiff cannot pressure me with an impending trial works for the defense, in this case insurers,” he said.

The reliance on technology and remote connectivity resulting from the pandemic restrictions also laid bare any shortcomings among the courts’ capabilities.

“Even the most technologically advanced courts learned they had a lot to learn,” Mr. Kennell said.