

We purchase car insurance to protect our cars, home insurance to protect our houses and belongings, health insurance to protect our well-being and life insurance to protect our loved ones after we die. All of these insurance policies are purchased with the belief that the policy covers losses, injuries or other damages. All too often, insurance companies fail to provide the promised reimbursement and attempt to minimize your payout in every way possible.

Pennsylvania law provides that your insurance company owes you a duty to conduct business in good faith. For example, it must pay legitimate insurance claims properly and promptly.

Bad faith dealings

In every step of the claim process, insurance companies have a duty of good faith. If insurance companies conduct business in bad faith, they may be legally responsible for any harm. Common bad faith practices may include:

- Giving you inaccurate information about filing deadlines
- Undervaluing your claim to dissuade you from litigating to receive a fair settlement
- Failing to respond to your calls and letters
- Misstating the amount of your coverage
- Failing to fully investigate the details of your claim
- Recommending that you proceed without a lawyer
- Failing to respond to your application for coverage within a reasonable time after providing full documentation
- Failing to give you an explanation for denying your claim
- Rescinding a policy
- Failing to defend your interests when others bring a claim against you
- Misstating facts or the amounts of damage
- Claiming falsely that you misrepresented information on a policy or application
- Failing to give a fair settlement when liability is clear

Recovering from bad faith dealings

When filing an insurance bad faith claim, you may seek both contractual and extra-contractual damages. In addition to the policy benefits that were wrongfully denied, you may seek punitive damages, attorney fees and interest at a higher rate. The type and amount of damages vary according to the case.

If you suspect that your insurance company is not dealing with you in good faith, schedule an appointment with an experienced Scranton insurance bad faith attorney. We can assess whether you have a legitimate claim.