

SUPREME COURT OF IDAHO

Cranney v. Mutual of Enumclaw Insurance Co., 145 Idaho 6

175 P.3d 168 (2007) · No. No. 33501 · Decided December 24, 2007

SUMMARY

The Idaho Supreme Court affirmed the district court's refusal to modify an arbitration award that included prejudgment interest in an underinsured motorist insurance dispute. The court held that Idaho Code § 7-913(a)(1) permits modification for a mathematical error, but not for a nonmathematical legal error concerning prejudgment interest. The court overruled the relevant portion of *Schilling v. Allstate Insurance Co.* and awarded the respondents attorney fees and costs on appeal.

CASE DETAILS

COURT	Supreme Court of Idaho
WRITING FOR THE COURT	Eismann, Chief Justice; J. Jones, Justice; Horton, Justice; Wood, Justice Pro Tem
JURISDICTION	Idaho
DECIDED	December 24, 2007
DOCKET	No. 33501
DISPOSITION	affirmed
PROCEDURAL POSTURE	Appeal from the district court's confirmation of an arbitration award and refusal to modify the award by deleting prejudgment interest.
STANDARD OF REVIEW	Judicial review of an arbitration award is limited to determining whether one of the statutory grounds for relief under Idaho Code §§ 7-912 or 7-913 exists.
PRECEDENTIAL VALUE	Published Idaho Supreme Court opinion; precedential
PARTIES	Mutual of Enumclaw Insurance Company v. Arden Cranney, Heidi Cranney

TOPICS

[uninsured motorist](#) [arbitration](#) [appellate procedure](#) [statutory interpretation](#) [attorney fees](#)

PRACTICE AREAS

[insurance](#) [insurance coverage](#) [arbitration](#) [appellate procedure](#)

QUESTIONS PRESENTED

1. Whether the district court erred by refusing to modify the arbitration award to remove or recalculate prejudgment interest under Idaho Code § 7-913(a)(1).
2. Whether the Cranneys were entitled to attorney fees on appeal under Idaho Code § 41-1839.

HOLDINGS

1. Idaho Code § 7-913(a)(1) does not authorize a court to modify an arbitration award for a legal or nonmathematical error concerning prejudgment interest. An 'evident miscalculation of figures' must be a mathematical error in calculating the amount of the award, not an error concerning the legal elements or measure of damages.
2. Because the Cranneys prevailed on appeal and Mutual of Enumclaw had not paid the full arbitration award, the Cranneys were entitled to attorney fees on appeal under Idaho Code § 41-1839.

KEY QUOTATIONS

“Because Idaho Code § 7-913(a)(1) does not permit an arbitration award to be modified for a nonmathematical error in awarding prejudgment interest, we affirm the judgment of the district court.” (175 P.3d at 168)

“The evident miscalculation of figures under Idaho Code § 7-913(a)(1) must be a mathematical error in calculating the amount of an award, not a legal error in the elements or measure of damages when making the award.” (175 P.3d at 171)

“Idaho Code § 7-913(a)(1) did not grant the district court authority to modify the arbitrator's award for the reason alleged by Mutual of Enumclaw.” (175 P.3d at 171)

FACTUAL BACKGROUND

Arden Cranney was injured in a January 29, 2003 motor vehicle accident, and he and Heidi Cranney later settled their claim against the other driver for more than the driver's liability-insurance limits. The Cranneys had underinsured motorist coverage with Mutual of Enumclaw but could not agree with the insurer on the amount due. The matter was arbitrated, and the arbitrator awarded the Cranneys \$61,262 in prejudgment interest in addition to the underinsured motorist benefits.

PROCEDURAL HISTORY

The Cranneys sued Mutual of Enumclaw after the parties could not agree on the amount payable under underinsured motorist coverage. The district court stayed the action for arbitration, confirmed the arbitrator's award—which included \$61,262 in prejudgment interest—and awarded costs and attorney fees. Mutual of Enumclaw timely appealed, arguing that the district court should have modified the award under Idaho Code § 7-913(a)(1).

DISPOSITION

affirmed

CASES CITED

- Brinkman v. Aid Ins. Co., 115 Idaho 346, 766 P.2d 1227 (1988)
- Greenough v. Farm Bureau Ins. Co. of Idaho, 142 Idaho 589, 130 P.3d 1127 (2006)
- Dillon v. Montgomery, 138 Idaho 614, 618, 67 P.3d 93, 97 (2003)
- American Foreign Ins. Co. v. Reichert, 140 Idaho 394, 398, 400-01, 94 P.3d 699, 703, 705-06 (2004)
- Pacific Alaska Seafoods, Inc. v. Vic Hoskins Trucking, Inc., 139 Idaho 472, 474, 80 P.3d 1073, 1075 (2003)
- Schilling v. Allstate Ins. Co., 132 Idaho 927, 930, 980 P.2d 1014, 1017 (1999)

Retrieved from lawtools.ai · <https://lawtools.ai/cases/state/idaho-supreme-court-of-idaho/2007/cranney-v-mutual-of-enumclaw-insurance-co-145-idaho-6-ajs10t40>