

SUPREME COURT OF ARKANSAS

McCoy v. Crumby

353 Ark. 251 (2003) · Decided May 22, 2003

SUMMARY

The Arkansas Supreme Court affirmed dismissal of the McCoy’s claim for underinsured-motorist benefits arising from the death of a viable fetus in a 1999 automobile accident. The court held that Aka v. Jefferson Hospital Association, Inc., which recognized a viable fetus as a person under Arkansas’s wrongful-death statute, applied only to the Aka case and to causes of action arising after June 21, 2001, when the decision became final. Because the McCoy’s cause of action arose before that date, the complaint failed to state a claim.

CASE DETAILS

COURT	Supreme Court of Arkansas
WRITING FOR THE COURT	Robert L. Brown, Justice; Brown; Corbin; Imber
JURISDICTION	Arkansas
DECIDED	May 22, 2003
DISPOSITION	affirmed
PROCEDURAL POSTURE	Appeal from a circuit-court order granting Southern Farm's motion to dismiss the appellants' complaint seeking underinsured-motorist benefits for the death of a viable fetus.
STANDARD OF REVIEW	The court reviewed the grant of a motion to dismiss for failure to state facts upon which relief could be granted.
PRECEDENTIAL VALUE	published precedential opinion
PARTIES	Gayla McCoy, Archie McCoy, individually, Archie McCoy, as Administrator of the Estate of Houston Alexander McCoy, Kenneth Brindley, a minor v. Southern Farm Bureau Casualty Insurance Company, Inc.

TOPICS

- uninsured motorist
- insurance coverage
- wrongful death
- motions to dismiss
- appellate procedure

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether the Arkansas Supreme Court's decision in *Aka v. Jefferson Hospital Ass'n, Inc.*, recognizing a viable fetus as a person under the wrongful-death statute, applied retroactively to a cause of action arising before *Aka* became final.
2. Whether the appellants' complaint stated a claim for underinsured-motorist benefits based on the death of the viable fetus.
3. Whether the appellants' use of a third-party complaint against Southern Farm was procedurally proper.

HOLDINGS

1. *Aka* applies only to the *Aka* case itself and to causes of action arising after *Aka* became final on June 21, 2001; it does not apply to the appellants' cause of action arising from the September 9, 1999 accident.
2. The complaint failed to state a claim for recovery based on the death of the fetus because, under the applicable law at the time the cause of action arose, a fetus was not a person for purposes of Arkansas's wrongful-death statute.
3. A third-party complaint under Ark. R. Civ. P. 14 was not the proper procedure for asserting the appellants' claim against Southern Farm, although the court treated the appellants' request as a motion to amend the complaint to add Southern Farm as a defendant.

KEY QUOTATIONS

"This court was exceedingly clear in Aka. The Aka decision was to be applied prospectively only from the date the decision was final, which was June 21, 2001."

"The circuit court was entirely correct in dismissing appellants' complaint."

FACTUAL BACKGROUND

On September 9, 1999, Kathy Crumby's vehicle crossed the center line and collided with Gayla McCoy's vehicle. The accident injured Gayla McCoy, caused loss of consortium to Archie McCoy, and resulted in the death of Gayla McCoy's seven-month fetus, Houston Alexander McCoy. After Crumby's insurer paid its \$100,000 policy limits, the appellants sought \$25,000 in underinsured-motorist benefits from Southern Farm under Gayla McCoy's policy.

PROCEDURAL HISTORY

After Kathy Crumby's insurer paid its policy limits, the appellants filed a third-party complaint against Southern Farm seeking underinsured-motorist benefits under Gayla McCoy's policy. Southern Farm moved to dismiss under Ark. R. Civ. P. 12(b)(6), arguing that no coverage or wrongful-death claim existed for the stillborn fetus and that third-party practice was improper. The Hot Spring County Circuit Court dismissed the complaint with prejudice, and the Supreme Court of Arkansas affirmed.

DISPOSITION

affirmed

CASES CITED

- Aka v. Jefferson Hosp. Ass'n, Inc., 344 Ark. 627, 42 S.W.3d 508 (2001)
- Chatelain v. Kelley, 322 Ark. 517, 910 S.W.2d 215 (1995)
- Parish v. Pitts, 244 Ark. 1239, 429 S.W.2d 45 (1968)
- Wawak v. Stewart, 247 Ark. 1093, 449 S.W.2d 922 (1970)
- Special Sch. Dist. of Ft. Smith v. Sebastian Co., 277 Ark. 326, 641 S.W.2d 702 (1982)

OPINION

BROWN, J.

Robert L. Brown, Justice. This is an appeal from the grant of a motion to dismiss in favor of appellee, Southern Farm Bureau Casualty Insurance Company, Inc. (Southern Farm). Appellants, Gayla McCoy and Archie McCoy, individually, and Archie McCoy, as Administrator of the Estate of Houston Alexander McCoy, and Kenneth Brindley, a minor, brother of Houston, assert that the circuit court erred in dismissing their cause of action against Southern Farm for payment of the under-insured benefits under Mrs. McCoy's policy.

The appellants further request that this court overturn our decision in *Aka v. Jefferson Hosp. Ass'n, Inc.*, 344 Ark. 627, 42 S.W.3d 508 (2001), insofar as it applies only prospectively to causes of action on behalf of viable fetuses under Arkansas' wrongful-death statute.

We affirm the dismissal of the appellants' complaint. According to the complaint, on September 9, 1999, Gayla McCoy was struck by another vehicle driven by Kathy Crumby. The accident resulted in the death of Mrs. McCoy's seven-month fetus, Houston Alexander McCoy, as well as in personal injuries to Mrs. McCoy.

On January 7, 2000, the appellants filed their complaint in the Hot Spring County Circuit Court and alleged that Kathy Crumby negligently crossed the center line and collided with Mrs. McCoy's vehicle. The complaint further stated that Ms. Crumby's acts of negligence were the proximate cause of the collision which injured Mrs. McCoy and caused loss of consortium to her husband, Archie McCoy.

The complaint also alleged that Ms. Crumby's negligence resulted in the wrongful death of Mrs. McCoy's seven-month fetus. On January 19, 2000, Ms. Crumby filed an offer of judgment, offering to settle the appellants' claims against her for \$100,000. A check in the amount of \$100,000 was subsequently deposited into the registry of the court.

On October 26, 2000, the appellants filed a motion to file a third-party complaint.¹ The motion stated that Ms. Crumby's insurance carrier had paid its policy limits and that appellants sought permission to proceed against Mrs. McCoy's underinsured motorists provider, Southern Farm.

The circuit court approved the filing of appellants' "third-party complaint" that same day. Also on October 26, 2000, appellants filed their "third-party complaint," requesting the full policy limits of underinsured benefits in the amount of \$25,000, plus any statutory penalties and attorneys' fees.

On November 1, 2000, Southern Farm responded and denied that "there is any under insured motorist coverage applicable... which would provide coverage for the death of the unborn infant." Southern Farm's response also asserted that the appellants' complaint should be dismissed under Ark. R. Civ. P. 12(b)(6) for failure to state facts upon which relief could be granted: Specifically, Plaintiff fails to state any facts which would show that any under insured motorist coverage would apply to her unborn infant, or that she or any other person, including the unborn infant, would be entitled to recover from Defendant for any injuries or damages because the infant was stillborn as a result of the accident.

On December 19, 2000, Southern Farm filed a motion to dismiss in further response to the appellants' complaint. In that motion, Southern Farm again moved for a dismissal of the complaint for failure to state facts upon which relief could be granted and added that a third-party complaint was the wrong procedure for the appellants to employ to sue it.

On January 8, 2001, the appellants responded to the motion to dismiss and denied that they failed to state facts upon which relief could be granted.² They further contended that the General Assembly had spoken "when [it] passed new law making it a crime to cause the death of an unborn child." The reference was to Act 1273 of 1999, now codified at Ark. Code Ann. § 5-1-102(13)(B) (Supp.

2001) (providing that "person" includes an unborn child, defined as "a living fetus of twelve (12) weeks or greater gestation"). On February 13, 2001, the circuit dismissed with prejudice the appellants' complaint against Ms. Crumby upon motion of counsel for both parties.

On April 18, 2002, the circuit court issued its letter opinion. In it, the court said: This court's decision on defendant's motion to dismiss is controlled by *Aka v. Jefferson Hospital Association, Inc., et al.* which overruled *Chatelain v. Kelley*, [322 Ark. 517, 910 S.W.2d 215 (1995)], and held a viable fetus is a person for the purpose of a wrongful death action.

The court further ruled, however, the application of the *Aka* decision would be prospective only for causes of action arising after the opinion became final. The occurrence in this case was before *Aka* became final and, therefore, the complaint fails to state facts upon which relief can be granted.

On May 1, 2002, the circuit court entered an order dismissing the appellants' complaint with prejudice. Appellants now contend in this appeal that the holding of this court in *Aka v. Jefferson Hosp. Ass'n, Inc.*, supra, should be overruled to the extent that it is limited to prospective application.

The appellants acknowledge that this court's holding in *Aka* was prospective only, with the *Aka* case being the sole exception. Nonetheless, the appellants submit that at the time of Houston Alexander McCoy's death, the General Assembly had already adopted Act 1273 of 1999, adding "unborn child" to the definition of "person" for purposes of the crime of homicide.

The appellants maintain that because Arkansas' public policy included a viable fetus within the definition of a "person" for criminal purposes at the time of the accident, and because the definition of "person" for purposes of the Arkansas wrongful-death statute included unborn children at the time the appellants' complaint was dismissed, see Act 1265 of 2001, now codified at Ark.

Code Ann. § 16-62-101 (a)(1) (Supp. 2001), it would be a great injustice to deprive the appellants of their day in court. Southern Farm responds and points to our decision in *Chatelain v. Kelly*, 322 Ark. 517, 910 S.W.2d 215 (1995), where we held that the death of a fetus is not the death of a person for purposes of the wrongful-death statute. Southern Farm claims that the *Chatelain* case was the controlling law at the time of the accident, September 9, 1999, and that the accident is what gives rise to the cause of action in the instant case.

Additionally, Southern Farm emphasizes that this court held in *Aka v. Jefferson Hosp. Ass'n, Inc.*, supra, that its reversal of *Chatelain* was not to apply retroactively and would only apply to the *Aka* case and to causes of action arising after the *Aka* decision became final. According to Southern Farm, Mrs. McCoy's car accident occurred long before *Aka* was final.

Because of this, Southern Farm contends that the circuit court's dismissal was warranted. We agree with Southern Farm. In *Aka v. Jefferson Hosp. Ass'n, Inc.*, supra, this court overruled its prior decision of *Chatelain v. Kelley*, supra, which had held that a viable fetus was not a "person" under the Arkansas wrongful-death statute.

The *Aka* court held that for purposes of Arkansas' wrongful-death statute, a viable fetus is a "person." In doing so, this court discussed the General Assembly's enactment of Act 1273 of 1999, which amended criminal statute Ark. Code Ann. § 5-1-102 (Repl. 1997), to include an unborn, living fetus of twelve weeks or greater gestation within the definition of "person" for homicide purposes.

This court further observed in a footnote in *Aka* that the General Assembly had approved Act 1265 of 2001, which included a viable fetus within the definition of "person" for wrongful-death actions. We concluded that "to be consistent with the current expression of legislative intent," the

time had come to depart from Chatelain. This court then discussed whether the Aka decision to overrule Chatelain should be applied retroactively or prospectively.

We concluded that it should be applied prospectively but that the appellant's efforts should not go unrewarded. We said: Consequently, we adhere to the doctrine announced in Parish [v. Pitts, 244 Ark. 1239, 429 S.W.2d 45 (1968)] and make the new rule applicable only to the case at bar and to causes of action arising after the decision becomes final. See Wawak v. Stewart, 247 Ark.

1093, 449 S.W.2d 922 (1970). In other words, the court's opinion is effectively prospective except as to the instant case. In Parish, we explained that: [t]his serves, in keeping with our system of the private enforcement of legal rights, to reward the present plaintiff for her industry, expense and effort, and for having given this Court the opportunity to rid the body of our law of this unjust rule.

Id., 244 Ark. at 1254, 429 S.W.2d at 52. Indeed, were the exception not applicable to the litigant urging departure from precedent, there would be no reason for such a party to devote the required time, effort, and money to raise an attack upon existing unsound precedents. Id. In sum, we conclude that appellant's efforts to bring about a needed change in the law should not go unrewarded, because without such inducement change might not occur.

See Special Sch. Dist. of Ft. Smith v. Sebastian Co., 277 Ark. 326, 331, 641 S.W.2d 702, 705 (1982) (citing Parish, 244 Ark. 1239, 429 S.W.2d 45). In light of the foregoing and to further the remedial intent of the wrongful-death statute, we apply our decision to overrule Chatelain retroactively as to appellant and prospectively as to causes of action arising after this opinion becomes final.

Therefore, we reverse the trial court's grant of partial summary judgment against the Estate of Baby Boy Aka. Aka v. Jefferson Hosp. Ass'n, Inc. 344 Ark. at 643, 42 S.W.3d at 519. This court was exceedingly clear in Aka.

The Aka decision was to be applied prospectively only from the date the decision was final, which was June 21, 2001. Moreover, even though the General Assembly had previously enacted Act 1273 of 1999, relating to fetuses and homicides, this court's decision overruling Chatelain was only applicable to causes of action arising after the Aka decision became final.

The appellants' accident occurred on September 9, 1999, which was more than a year earlier. The circuit court was entirely correct in dismissing appellants' complaint. Affirmed. Corbin, J., not participating. Imber, J., dissents.

As noted by Southern Farm in its motion to dismiss before the circuit court, a third-party complaint under Ark. R. Civ. P. 14 was not the proper procedure. As the appellants requested of the circuit court in their response to appellee's motion to dismiss, we treat the motion as one to

amend the complaint to add another defendant. Appellants also argued that Southern Farm waived its right to object to being a third-party defendant when it accepted service.

They further requested that the third-party complaint be restyled as an amended complaint with Southern Farm added as an additional defendant.