UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF CALIFORNIA

MacPherson-Pomeroy v. North American Company for Life and Health Insurance

MacPherson-Pomeroy · No. 1:20-cv-00092-KES-BAM · Decided June 20, 2025

SUMMARY

The Eastern District of California partially granted and partially denied North American Company for Life and Health Insurance’s motion for summary judgment in an action concerning delayed payment of life-insurance proceeds. The court denied summary judgment on the plaintiff’s breach-of-contract, breach-of-covenant, and attorney’s-fee claims, finding material disputes regarding the reasonableness of the insurer’s investigation and delay. The court granted summary judgment on the plaintiff’s punitive-damages claim.

CASE DETAILS

COURT	United States District Court for the Eastern District of California
JURISDICTION	United States District Court for the Eastern District of California
DECIDED	June 20, 2025
DOCKET	1:20-cv-00092-KES-BAM
DISPOSITION	other
PROCEDURAL POSTURE	Defendant moved for summary judgment on plaintiff's claims for breach of contract, breach of the implied covenant of good faith and fair dealing, attorney's fees, and punitive damages.
STANDARD OF REVIEW	Summary judgment is appropriate when there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law. The court views the evidence and draws reasonable inferences in favor of the nonmoving party, but need not credit a version of events that is blatantly contradicted by the record.
PRECEDENTIAL VALUE	unknown

TOPICS

life insurance litigation · insurance coverage · breach of contract · implied covenant of good faith · summary judgment

PRACTICE AREAS

insurance · life insurance litigation · contracts · civil procedure · remedies

QUESTIONS PRESENTED

1. Whether North American was entitled to summary judgment on plaintiff's breach-of-contract and breach-of-the-implied-covenant claims based on its eventual interpleader of the insurance proceeds.
2. Whether the evidence presented a genuine dispute regarding the reasonableness of North American's delay in resolving, paying, denying, or interpleading the life-insurance claim.
3. Whether North American was entitled to summary judgment on plaintiff's claim for attorney's fees.
4. Whether North American was entitled to summary judgment on plaintiff's claim for punitive damages.

HOLDINGS

1. An insurer's eventual interpleader filing does not, as a matter of law, absolve the insurer of liability for a prior unreasonable delay in paying, denying, or interpleading the claim.
2. Summary judgment was inappropriate because genuine disputes of material fact existed regarding whether North American reasonably investigated and handled the claim and whether its delay was reasonable.
3. Summary judgment was denied on attorney's fees because entitlement to fees depends on the outcome of plaintiff's underlying claims.
4. North American was entitled to summary judgment on punitive damages because no reasonable juror could find that its alleged delay constituted oppression, fraud, or malice by clear and convincing evidence.

KEY QUOTATIONS

> *"An insurer's eventual interpleader filing does not absolve it of liability for prior unreasonable delay, and an insurer's unreasonable delay may support a claim for both breach of contract and breach of the covenant of good faith and fair dealing."* (at 10)

> *"Whether North American's delay following its confirmation of Casey's death was reasonable cannot be resolved as a matter of law."* (at 10)

FACTUAL BACKGROUND

Casey MacPherson-Pomeroy purchased a life insurance policy from North American, naming Barbara MacPherson-Pomeroy as the primary beneficiary. Casey died in Anguilla after becoming seriously ill from a drink, and North American received proof of death and a death certificate in January 2019. Although North American obtained a death-verification report by July 2019 and MacPherson-Pomeroy was never identified as a suspect, arrested, or charged, North American continued reviewing the claim and did not pay, deny, or interplead the proceeds until after plaintiff sued. North American ultimately interpleaded the funds, which were distributed to MacPherson-Pomeroy, subject to attorney-fee issues.

PROCEDURAL HISTORY

Plaintiff filed the action in California state court on December 16, 2019, and defendant removed it to the Eastern District of California on January 17, 2020. Defendant later filed a counterclaim and third-party complaint for interpleader; the court determined that defendant had a good-faith basis to interplead the insurance proceeds and ordered the proceeds distributed, while reserving the plaintiff's claims concerning delay. The court denied summary judgment on the breach-of-contract, implied-covenant, and attorney-fee claims, but granted summary judgment on punitive damages.

DISPOSITION

other

CASES CITED

- Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248, 252 (1986)
- Matsushita Electric Industrial Co. v. Zenith Radio Corp., 475 U.S. 574, 585-88 (1986)
- Vos v. City of Newport Beach, 892 F.3d 1024, 1028 (9th Cir. 2018)
- Soremekun v. Thrifty Payless, Inc., 509 F.3d 978, 984 (9th Cir. 2007)
- Celotex Corp. v. Catrett, 477 U.S. 317, 322-23 (1986)
- T.W. Electric Service, Inc. v. Pacific Electric Contractors Association, 809 F.2d 626, 630 (9th Cir. 1987)
- First National Bank of Arizona v. Cities Service Co., 391 U.S. 253, 289 (1968)
- Scott v. Harris, 550 U.S. 372, 380 (2007)
- Nissan Fire & Marine Insurance Co. v. Fritz Companies, Inc., 210 F.3d 1099, 1103 (9th Cir. 2000)
- Wilson v. 21st Century Insurance Co., 42 Cal. 4th 713, 751 (2007)
- Egan v. Mutual of Omaha Insurance Co., 24 Cal. 3d 809, 817 (1979)
- United Investments Life Insurance Co. v. Grant, No. 2:05-cv-1716-MCE-DAD, 2006 WL 1282618, at *7 (E.D. Cal. May 9, 2006)
- Pinto v. Farmers Insurance Exchange, 61 Cal. App. 5th 676, 688-89 (2021)
- Chateau Chamberay Homeowners Association v. Associated International Insurance Co., 90 Cal. App. 4th 335, 346 (2001)
- Minnesota Mutual Life Insurance Co. v. Ensley, 174 F.3d 977, 981 (9th Cir. 1999)
- Lee v. Crusader Insurance Co., 49 Cal. App. 4th 1750, 1759 (1996)
- Jordan v. Allstate Insurance Co., 148 Cal. App. 4th 1062, 1077 (2007)
- United Investments Life Co. v. Grant, 387 Fed. Appx. 683, 687-88 (9th Cir. 2010)
- Brandt v. Superior Court, 37 Cal. 3d 813, 817 (1985)
- Beck v. State Farm Mutual Automobile Insurance Co., 54 Cal. App. 3d 347, 355 (1976)