

For Immediate Release  
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## **\$4.5 Million Verdict Reached in Goodrich v. Aetna Jury Finds Aetna Acted With Malice, Fraud and Oppression**

### **Punitive Damage Phase to Begin on Tuesday**

Today, plaintiffs announced a stunning victory in Goodrich v. Aetna U.S. Healthcare, the breach of contract lawsuit filed against the nation's largest health maintenance organization over its refusal to pay for treatment recommended by the health plan's own physicians.

Unanimously, the jury awarded \$747,655.88 in medical damages to Teresa Goodrich, the widow of former San Bernardino County deputy district attorney David Goodrich who died in 1995 after a three-year bout with a rare form of stomach cancer. By a vote of 11-1, the jury also awarded the widow almost \$3.8 million for loss of companionship and support. The jury unanimously found Aetna willfully acted with fraud, and by a vote of 11-1 found the giant HMO acted with malice and oppression against the plaintiffs, sending the trial into a punitive damages phase that will begin on January 19, 1999.

Plaintiffs' counsel, Michael J. Bidart of Shernoff, Bidart, Darras & Arkin, said following the verdict:

We're very pleased that the verdict allows Teresa Goodrich closure to this nightmare she's been through. The verdict brings fair and adequate justice to Teresa. Next week we hope the public interest's will be served.

After deliberating for about eight hours over two days, the San Bernardino jury of 10 women and two men found that Aetna violated the terms of its membership contract with David Goodrich by refusing to cover a bone marrow transplant procedure even though the member handbook made no mention of limiting or excluding treatment the HMO deemed experimental or investigational. Plaintiffs contended that Aetna violated California state law by failing to provide a description of its benefits in the company's evidence of coverage marketing materials.

Teresa Goodrich filed suit against Aetna in March 1996 charging breach of a health plan contract, breach of the duty of good faith and fair dealing, and wrongful death due to the unreasonable conduct of the defendant (San Bernardino Superior Court, Goodrich v. Aetna, RCV020499).

By a vote of 11-1, the jury also decided that Aetna's conduct was a substantial factor in shortening the life of David Goodrich. The panel further agreed unanimously that Aetna was 100% at fault for breaching the covenant of good faith and fair dealing and that David Goodrich did not contribute to the wrongful conduct.

Goodrich v. Aetna was one of the lucky few cases to escape the 1974 federal Employee Retirement Income Security Act law and mandatory arbitration provisions that usually prevent suits against HMOs.

The punitive damages phase of the trial begins on January 19, 1999, at 10:00 a.m. in Department 9 of the San Bernardino Superior Court.