

For Immediate Release  
March 29, 1999

## **Goodrich Attorneys Successfully Defend Motion for New Trial \$120.5 Million Verdict Against Aetna Stands**

After winning a record-breaking \$120.5 million verdict against Aetna U.S. Healthcare of California, lawyers for the widow of David Goodrich have prevailed once again against the insurance giant. In a written ruling issued today, San Bernardino Superior Court Judge Christopher Warner denied defendants' motion for a new trial, saying the punitive damage award is not excessive as a matter of law.

The Court also granted the plaintiff's request to amend the judgment to add Aetna Services, Inc., the California company's national parent. The plaintiff contended that the parent company admitted it was a party to the Goodrich action when it filed a federal lawsuit last month against six of its own liability insurers in an effort to seek coverage for the verdict.

Following the court's ruling, plaintiff's counsel Michael J. Bidart of Shernoff, Bidart, Darras & Dillon said, We are gratified that the Court has allowed the jury's message to be sent to Aetna. Our hope is that this message will lead to desperately needed HMO reform so that all Americans may have equal rights under the law.

In January, a San Bernardino County jury returned a landmark \$116 million punitive damage verdict against Aetna for its refusal to pay for medical care recommended by its own in-plan physicians. David Goodrich, a former deputy district attorney, died in 1995 from a rare form of stomach cancer. The same jury had previously found Aetna acted with malice, fraud, and oppression against the plaintiff, and awarded Goodrich's widow \$747,655.88 in medical damages and nearly \$3.8 million for loss of companionship and support. The huge award is the largest verdict ever against an HMO (Goodrich v. Aetna, RCV020499).

During a court hearing last week, Judge Warner ruled in the plaintiff's favor refusing to overturn the jury's wrongful death damage award, saying Aetna owed a legal duty to the plaintiff to seek out and recommend treatment to prolong David Goodrich's life. The judge also awarded the plaintiff more than \$300,000 in attorneys' fees and costs, but denied plaintiff's motion for pre-judgment interest.

The breach of contract case against Aetna was filed in March 1996. After a two-and-a-half month trial, the jury found that Aetna's conduct had substantially shortened the life of David

Goodrich. The jury also found Aetna had violated the terms of its membership contract with the plaintiff by refusing to cover a bone marrow transplant procedure even though the member handbook made no mention of exclusions or limitations of experimental procedures. According to attorney Bidart, Aetna had for 2 1/2 years delayed and denied approval for treatment of the plaintiff's rare stomach cancer then refused to pay for treatment he received outside the Aetna network even though his physicians had referred him out-of-plan.

The Goodrich case 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 damage suits against HMOs. Under ERISA, more than 125 million Americans with employer-provided health insurance cannot sue their HMO. ERISA does not apply to government employees and church employees, Medicare patients, or those who buy their insurance directly from the health insurer.