

SUMMARY STATEMENT

Angie Foresee v. Metropolitan Group Property and Casualty Insurance Company and Does I-V
Docket No. 51902

In this case arising out of Ada County, the Court of Appeals affirmed the district court's judgment dismissing Angie Foresee's complaint and awarding attorney fees. On appeal, Foresee argued that she is entitled to a \$25,000 underinsured motorist (UIM) coverage benefit, despite the offset provision in her insurance policy reducing the UIM coverage to zero. First, Foresee contended that Metropolitan Group Property and Casualty Insurance Company (Metropolitan) has a statutory obligation to "provide" UIM coverage. Next, Foresee asserted that her UIM coverage under the terms of Metropolitan's policy provided illusory coverage, was against public policy, and led to absurd results. Metropolitan argued that the only statutory requirement is to "offer" UIM coverage not provide it. Further, Metropolitan argued that its UIM coverage, as written in the policy, was neither illusory nor against public policy.

First, the Court determined that, based on the language in the policy, the at-fault-driver's vehicle was not an underinsured motor vehicle. Therefore, the UIM policy did not apply to Foresee's case. Although Metropolitan did not raise this specific argument, the Court found the definition of the underinsured motor vehicle was essential in interpreting and applying the terms of the insurance contract. Next, the Court determined that Metropolitan's policy offered a realistic opportunity to recover UIM coverage benefits and, therefore, it was not illusory. The Court also held that there is no statutory mandate to "provide" UIM coverage. Instead, Idaho law requires insurance companies to offer UIM coverage with at least the minimum limits required by statute. The Court also decided that, so long as an offset provision reduces UIM coverage by the limit of the at-fault driver's bodily injury insurance coverage and does not eliminate the coverage entirely, it does not run afoul of public policy. Finally, the Court held that, in a case where the at-fault driver was not underinsured under the terms of the policy, it was not absurd to completely offset Foresee's UIM coverage.

The Court also affirmed the district court's award of attorney fees to Metropolitan because Foresee pursued and maintained this lawsuit frivolously, unreasonably and without foundation by ignoring controlling authority and disregarding an opportunity to resolve the claim without incurring attorney fees.

This summary constitutes no part of the opinion of the Court, but has been prepared by court staff for the convenience of the public.