

VERDICTS & SETTLEMENTS

Counter-Claim Yields \$1.6M For Doctor *Admissions By Ins. Co. Rep Crucial To Settlement*

Plaintiff Allstate Insurance Company filed a complaint against counter-plaintiff physician for recuperation of \$5 million in no-fault benefits, claiming that it overpaid the counter-plaintiff for the expensive infectious disease treatments he had provided to the plaintiff's insured, who had a particularly virulent form of chronic osteomyelitis.

Allstate claimed that the physician's charges were too high and that it had mistakenly paid such amounts to the physician over the course of a decade.

Alternatively, Allstate contended that the physician was unjustly enriched.

According to the physician's counsel,

discovery demonstrated that Allstate had knowingly and properly made such payments to the doctor throughout the 1990s. Counsel further stated that, the deposition testimony of Allstate's corporate representative would not say that the plaintiff's payment of the bills was a mistake.

The court granted the physician's motion for summary disposition and dismissed Allstate's claims, ruling, among other things, that Allstate was bound by its representative's deposition testimony that there was no mistake.

Shortly thereafter, Allstate settled the physician's claim for violation of the No-

Fault Act by agreeing to pay the physician \$1.6 million.

Type of action: No-fault claim

Type of injuries: Chronic osteomyelitis

Name of case: Allstate Ins. Co. v. Ruben

Court/case no./date: Oakland County Circuit Court; #02-041588-NF; Jan. 28,

2004

Name of Judge: Rudy J. Nichols

Settlement amount: \$1.6 million (counter-claim by Ruben); \$0 (Allstate)

Allocation of fault: N/A

Attorney for the plaintiff: Withheld

Attorney for the counter-plaintiff:

Gerard V. Mantese