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UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

JENNIFER STRELOW DMD,

Plaintiff,

v.

HARTFORD CASUALTY INSURANCE  
COMPANY,

Defendant.

No.

COMPLAINT FOR MONEY DAMAGES  
AND INJUNCTIVE RELIEF

JURY DEMAND

**I. PARTIES**

1. The plaintiff is Dr. Jennifer Strelow, DMD. Dr. Strelow is a dentist. She owns and operates Mercer Island Dentistry in Mercer Island, Washington.

2. The defendant is Hartford Casualty Insurance Company. Hartford is an insurance company organized under the laws of Indiana. Its principal place of business is in Connecticut.

3. Hartford is vicariously liable for the acts and omissions of its employees and agents, including any outside person or entity to whom Hartford assigned claims-handling or investigative responsibilities.

1 **II. JURISDICTION AND VENUE**

2 4. This Court has subject-matter jurisdiction under 28 U.S.C. § 1332. The amount  
3 in controversy exceeds \$75,000, exclusive of interest and costs. This action involves citizens of  
4 different states. Dr. Strelow is a citizen of Washington. Hartford is a citizen of Indiana and  
5 Connecticut.

6 5. This Court has personal jurisdiction over Hartford.

7 6. Venue is proper in this district because a substantial part of the events or  
8 omissions giving rise to the claim occurred in this district, 28 U.S.C. § 1391(b)(2); the property  
9 that is the subject of the action is situated in this district, *id.*; and Hartford is subject to personal  
10 jurisdiction in this district, § 1391(b)(3).  
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12 **III. CONDITIONS PRECEDENT**

13 7. All conditions precedent were performed or have occurred.  
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15 **IV. FACTUAL ALLEGATIONS**

16 8. Whether an insurance company owes payment under a policy depends on a  
17 careful examination of the specific policy documents and a full and fair investigation of the facts  
18 that are material to the insured's claim.  
19

20 9. In addition to its duty to investigate fully and fairly, the insurance company also  
21 has a duty to explain the policy to the insured and assist the insured in attempting to secure  
22 payment to the maximum extent possible. As the Court is aware, commercial policies often  
23 consist of various base forms that are modified by numerous endorsements. In this case, for  
24 example, the policy contains no fewer than 40 forms and endorsements.  
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1           10.     Dr. Strelow purchased a “Spectrum Business Owner’s Policy” from Hartford:  
2 Policy No. 52 SBA UM6840 DX, with a policy period beginning June 20, 2019, and ending  
3 June 20, 2020.

4           11.     Dr. Strelow also purchased the “Super Extension of Coverages for Medical  
5 Offices.”

6           12.     This Hartford policy is an “all-risk” policy, as opposed to a “named perils” or  
7 “specific perils” policy. An all-risk policy provides coverage for all risks unless a specific risk is  
8 excluded. All-risk policies generally allocate risk to the insurer, in contrast to specific-peril  
9 policies, which place more risk on the insured.

10           13.     Dr. Strelow purchased this insurance from Hartford to protect against financial  
11 catastrophes. Because of COVID-19 and a state-mandated closure, Dr. Strelow and her team  
12 were not able to provide dental services. Even now, Dr. Strelow and her team are only able to  
13 resume their practice in limited capacity.

14           14.     Under Washington law, “An insurance policy is construed as a whole, with the  
15 policy being given a fair, reasonable, and sensible construction as would be given to the contract  
16 by the average person purchasing insurance.” *Am. Nat’l Fire Ins. Co. v. B & L Trucking &*  
17 *Const. Co.*, 134 Wn.2d 413, 427–28, 951 P.2d 250 (1998). “Any ambiguities remaining after  
18 examining applicable extrinsic evidence are resolved against the drafter-insurer and in favor of  
19 the insured.” *Id.* at 428 (citation omitted). “A clause is ambiguous when, on its face, it is fairly  
20 susceptible to two different interpretations, both of which are reasonable.” *Id.* (citation omitted).

21           15.     Dr. Strelow submitted a claim with Hartford under the policy. The policy  
22 protects Dr. Strelow for “direct physical loss of” or “physical damage to” covered property.  
23 Because Dr. Strelow experienced “direct physical loss of” her property—and because no  
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1 exclusion applies to her claim—she was and remains entitled to coverage. Hartford nonetheless  
2 denied coverage, breaching the insurance policy.

3           16. Upon information and belief, moreover, Hartford has conducted no investigation  
4 into the amount of monetary benefits owed to Dr. Strelow. Hartford improperly transferred the  
5 burden of investigation to Dr. Strelow.  
6

7           17. Insurance companies such as Hartford owe their insureds numerous duties upon  
8 the occurrence of a loss under an insurance policy. For example:

- 9           • Insurance companies owe their insureds a duty of good faith.  
10           • Insurance companies have an obligation to tell the truth, to have a lawful  
11 purpose, to deal fairly with the policyholder, and to give equal consideration to  
12 policyholders' interests as they do their own.  
13           • Insurance companies are prohibited from engaging in conduct toward their  
14 policyholders that is in any way unreasonable, frivolous, or unfounded.  
15           • Insurance companies must conduct a full, fair, and prompt investigation of all  
16 material aspects of the insurance claim at their own expense.

17           18. The Unfair Claims Settlement Practices Regulation, which is found in chapter  
18 284-30 of the Washington Administrative Code, imposes duties on insurance companies.  
19 Defendant owes those duties to plaintiffs. The Unfair Claims Settlement Practices Regulation is  
20 incorporated herein by reference. *See* WAC 284-30-330 to -380.

21           19. Insurance industry standards in the State of Washington require defendant to  
22 comply with the Unfair Claim Settlement Practices Regulation. The regulation reflects  
23 minimum industry standards.

24           20. Hartford violated the above standards.  
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V. CAUSES OF ACTION

CLAIM NO. 1. DECLARATORY JUDGMENT  
(Against Hartford)

21. Dr. Strelow incorporates all the preceding paragraphs as if fully set forth herein.

22. Dr. Strelow seeks a judgment:

- declaring that she is entitled to every coverage that applies under the policy;
- declaring the benefits to which Dr. Strelow is entitled; and
- declaring that Hartford is estopped from asserting any time limitation in the insurance policy as a defense to coverage due to Hartford's bad faith.

23. Hartford is liable for reasonable attorney fees and costs under *Olympic Steamship Co. v. Centennial Insurance Co.*, 117 Wn.2d 37, 51-53, 811 P.2d 673 (1991), *McGreevy v. Oregon Mutual Insurance Co.*, 128 Wn.2d 26, 37, 904 P.2d 731 (1995).

CLAIM NO. 2. BREACH OF CONTRACT  
(Against Hartford)

24. Dr. Strelow incorporates all the preceding paragraphs as if fully set forth herein.

25. The policy is a valid, enforceable contract.

26. Dr. Strelow is entitled to full compliance with the policy.

27. Dr. Strelow is entitled to coverage and every benefit available to her under the policy.

28. Dr. Strelow seeks judgment with respect to all coverages and benefits that apply to the facts of this case.

29. Hartford breached its obligations under the policy as alleged throughout this Complaint.

30. Dr. Strelow is sustaining damage in an amount to be proven at trial.

1           31.     In addition to Dr. Strelow's damages, Hartford is liable for reasonable attorney  
2 fees and costs under *Olympic Steamship Co. v. Centennial Insurance Co.*, 117 Wn.2d 37, 51-53,  
3 811 P.2d 673 (1991).

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6                   **CLAIM NO. 3. VIOLATION OF DUTY OF GOOD FAITH**  
7                   **(Against Hartford)**

8           32.     Dr. Strelow incorporates all the preceding paragraphs as if fully set forth herein.

9           33.     Hartford violated its duty of good faith.

10          34.     Hartford's conduct as alleged throughout this Complaint was unreasonable.

11          35.     Hartford is in violation of the Unfair Claim Settlement Practices Regulation.

12          36.     Hartford is in violation of industry standards for the handling of insurance  
13 claims.

14          37.     Dr. Strelow sustained damage because of Hartford's conduct.

15          38.     Hartford is liable for Dr. Strelow's consequential economic and noneconomic  
16 damages in addition to reasonable attorney fees and costs under *McGreevy v. Oregon Mutual*  
17 *Insurance Co.*, 128 Wn.2d 26, 37, 904 P.2d 731 (1995).

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20                   **CLAIM NO. 4. CONSUMER PROTECTION ACT (CPA), RCW 19.86.090**  
21                   **(Against Hartford)**

22          39.     Dr. Strelow incorporates all the preceding paragraphs as if fully set forth herein.

23          40.     As alleged throughout this Complaint, Hartford engaged in unfair or deceptive  
24 acts or practices.

25          41.     Hartford's conduct occurred in trade or commerce.

26          42.     Hartford is in violation of the Unfair Claims Settlement Practices Regulation.

1 43. Hartford acted in bad faith.

2 44. Hartford's conduct affected the public interest.

3 45. Hartford's conduct caused injury to Dr. Strelow's "business or property," as  
4 those terms are defined for purposes of the CPA.

5 46. Dr. Strelow sustained damage because of Hartford's conduct.

6 47. In addition to Dr. Strelow's damages, Hartford is liable for attorney fees and  
7 costs under RCW 19.86.090.

8 48. The Court should order defendant to pay enhanced damages under  
9 RCW 19.86.090.

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12 **CLAIM NO. 5. CPA INJUNCTION**  
13 **(Against Hartford)**

14 49. Dr. Strelow incorporates all the preceding paragraphs as if fully set forth herein.

15 50. Dr. Strelow asserts a claim for injunctive relief under the CPA.

16 51. The Court should enjoin defendant from further acts that violate the Washington  
17 Administrative Code, the Insurance Code, or the CPA. Under Fed. R. Civ. P. 65, Dr. Strelow is  
18 not required to articulate the specific terms of the injunction until the time of judgment.

19 Nonetheless, appropriate injunctive relief could include a mandate that Hartford re-open and  
20 investigate on an individualized basis all COVID-19 claims involving a "Spectrum Business  
21 Owner's Policy," utilizing the interpretation of the operative language determined by the Court  
22 to apply in this action, together with supervision by a federal monitor or special master to  
23 oversee implementation of the Court's mandate.

24 52. Hartford is liable for reasonable attorney fees and costs under RCW 19.86.090.  
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**VI. JURY DEMANDED**

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2 53. Pursuant to Fed. R. Civ. P. 38, plaintiff demands a jury on all issues triable of  
3 right by a jury.  
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6 **VII. PRAYER FOR RELIEF**

7 54. WHEREFORE, Dr. Strelow requests that this Court:

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- 9 • Enter a declaratory judgment;
  - 10 • Enter a money judgment against defendant in the amount we will prove;
  - 11 • Enter an injunction;
  - 12 • Award enhanced damages pursuant to RCW 19.86.090;
  - 13 • Award costs, disbursements, and attorney fees to the maximum extent authorized  
14 by law, including *Olympic Steamship Co. v. Centennial Insurance Co.*, 117  
15 Wn.2d 37, 811 P.2d 673 (1991), RCW 19.86.090, and for defendant's bad faith;
  - 16 • Otherwise award Plaintiffs' attorney fees and costs; and

17 Award such other relief as is just and proper.  
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1 RESPECTFULLY SUBMITTED this 27th day of May, 2020.  
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