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Valencia County family awarded \$36M after jury finds insurance company acted in 'bad faith'

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Valencia County family awarded \$36M after jury finds insurance company acted in 'bad faith'

VALENCIA COUNTY, N.M. – Some say she might have had a feeling, others say it was nothing more than chance. Whatever it was, one New Mexico woman changed her insurance policy just five days before she died in a car accident.

Her family was set to get paid, but her attorneys say what happened next was nothing short of a cover-up.

State Farm is set to pay the second highest "bad faith" civil payment in New Mexico history, according to an attorney representing the family of Andrea Lovato.

A jury ruled this crash really was an accident but the moves State Farm made after Lovato's death will now cost them tens of millions of dollars.

In Valencia County in 2017, the last thing Andrea Lovato ever saw was a minivan trying to pass a car, going more than 70 miles per hour in a 35. Lovato swerved into the other lane and was killed. Her 4-year-old nephew in the back seat survived.

"Andrea was left with an impossible choice," said Shane Maier.

Shane Maier represents Lovato's family. They are getting paid after the jury found her car insurance company, State Farm, acted in bad faith.

"And so they did all this to cover it up, and when they finally got, you know, caught on it and told 'Hey – you know, what is this? Oh, it was a clerical error, you're 100% at fault.' They even canceled them as an insured," Maier said.

Lovato had upgraded her car insurance policy to \$1 million five days before she was killed in the crash.

"They saw an opportunity – an opportunity that the only person who knew that she had a million dollars was dead, and they could change the policy to save themselves millions on this claim," said Maier.

However, Maier says an automated letter was sent out when she upped her policy and her family found it.

"Massively cover it up! Again, they had the family come in without them knowing, saying 'Hey, we just want to make sure this policy is right. Right? This is after your daughter is dead. We're going to help you save some money,'" Maier said.

Maier says after the insurance company got caught they went after Lovato's character.

"And then just, did everything they could to put this dead lady's name in mud. Saying how horrible she was, they were saying she tried to commit suicide, that's why this accident happened. Just crazy stuff," said Maier.

\$36 million is set to go to the little boy who survived the crash – Lovato's mom and brother.

"This is probably the most egregious conduct I've ever seen by an insurance carrier," said Maier.

The local attorney representing State Farm shared a statement that says State Farm "strongly believes we upheld and honored our commitment to our customers and empathize with the family who suffered a great personal loss. We are disappointed by the jury's decision, respectfully disagree with it and will explore all available legal options including appealing the verdict."



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