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***Insult to Injury***  
***Insurance, Fraud, and the Big Business of Bad Faith***  
**by Ray Bourhis**

*“Ray Bourhis continues his strong commitment to justice by successfully taking on the insurance industry and criminal fraud in this compelling case study. He makes it clear that we need to do much more to end the shameful abuses of the current system and guarantee honorable insurance coverage for every American.”*

—**Senator Edward M. Kennedy**

Getting insurance companies to pay for individual claims is a problem so common it's endemic. And the very real fear that our health, disability, homeowners, and other insurance providers will not be there to pay for claims in the event of catastrophic loss is widespread and well justified. As San Francisco-based attorney Ray Bourhis found out, at least several giant disability insurers—including the largest disability carrier in the world, UnumProvident—made it company policy to cancel benefits in order to increase revenues by hundreds of millions of dollars. These claims were rejected and the policies cancelled *regardless of their validity*. And for a company with some 25 million policy holders, the abrupt termination of disability benefits meant that thousands of lives and millions of dollars in benefits were put at risk. In the case of Joan Hangarter, a single mother who bought a disability policy in 1990 to protect her should she ever fall seriously ill, the cancellation of her policy led to personal devastation for both herself and her children.

Joan had dutifully paid her annual premiums for nearly a decade. Yet after she became disabled, her insurer UnumProvident, stopped paying her benefits. As a result, Joan and her children were evicted from her home, and Joan was forced into bankruptcy and onto welfare, leading her to fall and into deep clinical depression. All of this happened to Joan as a result a cost-cutting measure: employees of UnumProvident had “targeted” her for cancellation without ever having spoken with a single doctor who had actually treated her. Eventually, with the help of her attorneys Ray Bourhis and Alice Wolfson, Hangarter won a landmark \$7.7 million jury verdict against UnumProvident.

In *Insult to Injury: Insurance, Fraud, and the Big Business of Bad Faith* Bourhis uses the dramatic story of Joan Hangarter's case—along with the cases of Susan McGregor, Stuart Gluck, Alan Gross, John Tedesco, Laura Hindiyeh, Eugene Molfino, and others—to show how insurance companies are getting away with denying valid claims, terminating benefits, and destroying lives. Bourhis shows how insurance companies put profit above the protection of those who diligently pay for their coverage month after month and year after year. Bourhis exposes the comprehensive systems insurance companies have for targeting and terminating expensive claims without just cause. He reveals the back-room strategic mindset that drives these illegal practices, how low-level employees are duped into unethical conduct, and how insurers manipulate data in the few cases that do go to trial. He also explains the key regulatory oversights that enable these kinds of practices to continue unchecked, and how recent U.S. Supreme Court decisions and the inaction of the current majority in Congress actually facilitate insurer fraud.

Hangarter's was not an isolated case, and her settlement, while welcome, was singularly rare. Unfortunately for us all, as Ray Bourhis points out, this single victory was not enough to change the way these companies do business. To change this system, Bourhis closes *Insult to Injury* with a roadmap for reforming the insurance industry, so that cases like Joan's become a thing of the past. He also makes the case against so-called "tort reform," showing why it is actually a gift to the monied interests of large corporations and a threat to the legal rights of us all.

*“What has happened to Joan Hangarter—and so many others like her—is a grave injustice.... Readers of this book should urge their congressional representatives to force the big insurance companies to honor their obligations just as the holders of those policies honor theirs.”*

—John Garamendi, Insurance Commissioner, State of California

*“Painstakingly documented, hilarious, and insightful. A seething indictment of the out-of-control insurance industry and its friends in Congress and on the U.S. Supreme Court who have given it a green light to defraud Americans.”* —Amy Bach, Executive , Director, United Policyholders

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**By Ray Bourhis**

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