

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

TRICIA MEZZACAPPA	:	CIVIL ACTION
	:	
v.	:	NO. 04-5249
	:	
STATE FARM INSURANCE COMPANY	:	

MEMORANDUM AND ORDER

Juan R. Sánchez, J.

December 14, 2004

In this insurance case, Plaintiff, Tricia Mezzacappa (“Mezzacappa”), claims Defendant, State Farm Casualty Company (“State Farm”), breached the parties’ homeowners insurance contract and violated Pennsylvania’s bad faith statute when it failed to pay for structural and water damage to Mezzacappa’s residence in Northampton County. State Farm argues Mezzacappa fails to set forth facts which, if true, prove State Farm acted in bad faith. We deny State Farm’s motion to dismiss. Mezzacappa’s complaint meets the liberal notice pleading standard under the Fed.R.Civ.P.8(a).

The purpose of a motion to dismiss under Fed. R. Civ. P. 12(b)(6) is to test the legal sufficiency of the complaint. *Holder v. City of Allentown*, 987 F.2d 188, 194 (3d Cir. 1993). When considering a motion to dismiss for failure to state a claim under 12(b)(6), the court must accept all well pleaded allegations as true and view them in the light most favorable to plaintiff. *Christopher v. Harbury*, 536 U.S. 403, 406 (2002); *Jordan v. Fox, Rothschild, O’Brien & Frankel*, 20 F.3d 1250, 1261 (3d Cir. 1994). The court must consider only the facts alleged in

the complaint and its attachments. *Id.* The court may not dismiss the complaint unless the plaintiffs can prove no set of facts which would entitle them to relief. *Conley v. Gibson*, 355 U.S. 41, 45-46 (1957).

State Farm claims Count II of Mezzacappa's complaint fails to state a cause of action under Pennsylvania's bad faith statute.¹ State Farm argues Mezzacappa's bad faith claim contains only unsubstantiated legal conclusions and contains no facts alleging State Farm acted in bad faith. We find Mezzacappa's claim adequately states a cause of action.

The "notice pleading" standard under the Federal Rules "requires that a complaint include only 'short and plain statement of the claim showing that the pleader is entitled to relief.'" *Latherman v. Tarrant County Narcotics Intelligence & Coordination Unit*, 507 U.S. 163 (1993); *see also* Fed.R.Civ.P. 8(a). The plaintiff's complaint is sufficient if it puts defendant on notice of the essential elements of plaintiff's case. *Nami v. Fauver*, 82 F.3d 63, 65 (3d Cir. 1996). "The complaint will withstand a Fed.R.Civ.P. 12b(6) attack if the material facts as alleged, in addition to inferences drawn from those allegations, provide a basis for recovery." *Menkowitz v. Pottstown Mem'l Med. Ctr.*, 154 F.3d 113, 124-125 (3d Cir. 1998)(*see also* *Emerson v. Thiel College*, 296 F.3d 184, 188 (3d Cir. 2002)).

"The requisite elements for a bad faith claim under Section 8371 [are], (1) that the

¹ 42 Pa.C.S. § 8371 states:

In an action arising under an insurance policy, if the court finds that the insurer has acted in bad faith toward the insured, the court may take all of the following actions:

- (1) Award interest on the amount of the claim from the date the claim was made by the insured in an amount equal to the prime rate of interest plus 3%.
- (2) Award punitive damages against the insurer.
- (3) Assess court costs and attorney fees against the insurer.

insurer lacked a reasonable basis for denying benefits; and (2) that the insurer knew or recklessly disregarded its lack of a reasonable basis.” *Toy v. Metro. Life Ins. Co.*, 2004 PA Super 404, (Pa. Super. 2004) citing *Booze v. Allstate Ins. Co.*, 750 A.2d 877, 880 (Pa. Super. 2000), *appeal denied*, 766 A.2d 1242 (2000); *American Franklin Life Ins. Co. v. Galati*, 776 F. Supp. 1054, 1064 (E.D. Pa. 1991). Mezzacappa’s complaint avers that State Farm unreasonably refused to pay for the structural collapse and water damages to her home. In the complaint, Mezzacappa asserts she suffered damages to her home between December 2003 and April 2004 and promptly filed claims with State Farm. After an investigation, State Farm denied Mezzacappa’s claims. Mezzacappa pleads State Farm’s denial was unreasonable, lacked sufficient basis and violated the terms of the insurance contract.

The facts Mezzacappa alleges in her complaint state a claim for relief under the federal “notice pleading” standard. Although Mezzacappa’s complaint does not contain detailed facts proving State Farm’s bad faith, Mezzacappa is not required to do so under the federal rules of civil procedure. Discovery may reveal evidence from which a reasonable jury could conclude that State Farm acted in bad faith. *See Eubanks v. Amica Mut. Ins. Co.*, 2004 U.S. Dist. LEXIS 23372 (E.D. Pa. 2004). Accordingly, we enter the following:

ORDER

And now this 14th day of December, 2004, it is hereby ORDERED that Plaintiff’s Motion to Dismiss is Denied (Doc. 2).

BY THE COURT:

Juan R. Sánchez, J