**IN THE SUPERIOR COURT OF THE STATE OF DELAWARE**

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| AYESHA EDWARDS, | ) | |
| | ) | |
| Plaintiff, | ) | |
| | ) | |
| v. | ) | C.A. No. N25C-06-114 SSA |
| | ) | |
| INTEGON INDEMNITY CORPORATION, | ) | |
| | ) | |
| Defendant. | ) | |

Submitted: October 19, 2026
Decided: November 9, 2026

**MEMORANDUM OPINION**

Defendant Integon Indemnity Corporation seeks summary judgment as to Plaintiff Ayesha Edwards's claims for bad faith denial of lost wages arising out of 21 *Del. C.* § 2118B(c).[1] Because Defendant's June 9, 2025 letter is not a denial of lost wages, Defendant's Cross Motion for Summary Judgment is Granted. As Defendant's Cross Motion for Summary Judgment addresses the merits of the case, the Court dismisses the remaining motions as moot.[2]

[1] Def.'s Resp. Br. & Cross Mot. Summ. J., D.I. 68.
[2] The remaining motions are (1) Def.'s Mot. Summ. J. as to Extra Contractual Damages, D.I. 29; (2) Def.'s Mot. Summ. J. as to Plaintiff's Claim for No Fault Benefits, D.I. 30; (3) Pl.'s Mot. Partial Summ. J. That Defendant Violated 21 *Del. C.* Section 2118B and Acted in Bad Faith, D.I. 49; (4) Pl.'s Mot. to Determine That Plaintiff is Entitled to a Jury Instruction on Punitive Damages, D.I. 71; (5) Def.'s Mot. for Protective Order as to Asset Discovery, D.I. 64; (6) Def.'s Mot. for Protective Order on Supplemental Request for Production on Bad Faith, D.I. 65.

## *Factual Background*[3]

In April of 2025, Plaintiff suffered injuries in connection with a car accident that occurred on I-95.[4] At the time of the accident, Plaintiff was employed as a dental assistant at Barksdale Dental Associates.[5] Plaintiff began submitting claims for medical bills and lost wages to Defendant about a month after the accident occurred. The lost wages claim was submitted on May 22, 2025.[6] Since the inception of this case, nearly all of Plaintiff's medical bills have been paid by the Defendant and there are no contested bills awaiting payment.[7]

The parties engaged in back-and-forth correspondence regarding lost wages. Defendant undertook assessment of Plaintiff's lost wages claim for eighteen days following Plaintiff's submission of the lost wages claim.[8] During that eighteen-day period, Plaintiff's counsel and Defendant's PIP adjuster were in communication regarding documentation to process the lost wage claim. For example, Plaintiff counsel's June 5, 2025 letter attached Plaintiff's revised disability note and asked the adjuster to "confirm that lost wages will be paid as required by Delaware law."[9]

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[3] The Court has considered these facts in the light most favorable to the Plaintiff when evaluating Defendant's Cross Motion for Summary Judgment. *Radulski v. Liberty Mut. Fire Ins. Co.*, 2020 WL 8676027, at *3–4 (Del. Super.).
[4] D.I. 30, Ex. A, at 2.
[5] D.I. 30, Ex. E, at 19.
[6] Pl.'s Mot. Partial Summ. J., D.I. 49, at ¶ 9.
[7] D.I. 30, at 2. *See also* Pl.'s Opp. Br., D.I. 59, at 4–5.
[8] D.I. 49, Ex. E, Cooper Dep. 19:2–12, 31:6–12, 48:21–49:1 April 6, 2026.
[9] D.I. 49, Ex. B. On May 22, 2025, Plaintiff's counsel provided Defendant's adjuster a disability note, an employment verification letter, and Defendant's last paycheck. D.I. 30, Ex. G, at 33.

Defendant's PIP adjuster issued a Letter (hereinafter "the Letter") on June 9, 2025. Because of the centrality of the language of this letter it is reproduced here:

> Please be advised we are in receipt of the Wage verification form completed by Ayesha Edwards [sic] employer. I spoke with Jenny at Barksdale Dental Associates, and she indicated your client is no longer employed. I have ***requested*** a termination letter to be sent to me. Furthermore, Jenny confirmed your client worked from 04/15/25-05/15/25, while she was placed on disability. The Wage verification form you provided states her disability began on 05/19/2025 and not on 04/15/2025 as indicated in the disability note received on 05/24/2025.
>
> ***Please provide*** documentation showing taxes were being taken out of Ayesha's pay, as we are only able to make loss wage payments based on net income. Per Ayesha's employer, she requested to be a 1099 employee for the first 6 months of her employment and Jenny confirmed no taxes were being taken out of her pay. The loss wage portion of Ayesha Edwards [sic] claim is ***pending*** receipt of the termination letter and taxes being taken from pay.
>
> Additionally, a Chiropractic IME has been ***requested*** based on the information received from Ayesha's employer and for wage loss being claimed while Ayesha was placed on disability.[10]

The next day, Plaintiff filed the instant lawsuit. Plaintiff's counsel replied to the adjuster:

> [G]iven your conduct up to this point, it is clear that you do not intend to pay the claim as required by Delaware law. Therefore, I am attaching a copy of the ***lawsuit filed*** to enforce my client's contractual rights. I regret that you have made such action necessary.[11]

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Plaintiff's counsel also provided confirmation on Plaintiff's disability status to Defendant's adjuster on June 9, 2025. *Id.* at 29.

[10] D.I. 30, Ex. G, at 27 (emphasis added).

[11] D.I., 49, Ex. D (emphasis added).

Defendant's adjuster's suspicions regarding the evaluation of Plaintiff's lost wages claim were revealed in her deposition. Plaintiff's claim was under investigation on June 9.[12] First, the adjuster suspected a "falsifi[ed]" Plaintiff's disability note.[13] Second, the adjuster felt there was a "discrepanc[y]" in that Plaintiff continued working without complaint in the month following the motor vehicle accident.[14] On June 10th, the day after The Letter was sent and the same day this lawsuit was filed, Defendant's adjuster referred Plaintiff's lost wages claim to Defendant's special investigations unit.[15] Defendant paid Plaintiff's lost wage claim on November 21, 2025, during the pendency of this lawsuit.[16]

## ***Standard of Review***

### ***Cross Motions for Summary Judgment***

Summary judgment is available where "the pleadings, depositions, answers to interrogatories, and admissions on file, together with affidavits [] … show that there is no genuine issue as to any material fact and … the moving party is entitled to judgment as a matter of law."[17] The Court must view evidence in the record "in the light most favorable to the non-moving party."[18] Summary judgment is warranted

[12] Cooper Dep. 71: 4-7.
[13] Cooper Dep. 74:14–17.
[14] *Id.* at 38:6–15, 74:23–75:17.
[15] *Id.* at 71:9–72:24.
[16] D.I. 30, Ex. B, at 8.
[17] Super. Ct. R. 56(c).
[18] *Merrill v. Crothall-American, Inc.*, 606 A.2d 96, 99 (Del. 1992) *citing Adickes v. S.H. Kress & Co.*, 398 U.S. 144, 157 (U.S. 1970).

"where the party bearing the burden of proof fails to adduce sufficient essential claim elements."[19]

"These well-established standards and rules equally apply when, as here, the parties have filed cross-motions for summary judgment."[20] The Court must evaluate each motion separately.[21] The existence of cross-motions for summary judgment themselves does not automatically establish that there is no genuine issue of material fact.[22] If "neither party argues the existence of a genuine issue of material fact, 'the Court shall deem the motions to be the equivalent of a stipulation for decision on the merits based on the record submitted with the motions.'"[23] The Court may grant summary judgment to one of the movants where the Court "finds that no genuine issues of material fact exist[], and the moving party has demonstrated [its] entitlement to judgment as a matter of law."[24]

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[19] *Heaps v. Luna*, 2012 WL 7760048, at *3 (Del. Super.) *citing Talmo v. Union Park Auto.*, 38 A.3d 1255, at *2 (Del. 2012).
[20] *IDT Co. v. U.S. Specialty Ins. Co.*, 2019 WL 413692, at *5 (Del. Super.) *citing Verizon Comms. Inc. v. Ill. Nat'l Ins. Co.*, 2017 WL 1149118, at *5 (Del. Super.), rev'd on other grounds.
[21] *IDT Co. v. U.S. Specialty Ins. Co.*, 2019 WL 413692, at *5 (Del. Super.) *citing Motors Liquidation Company DIP Lenders Trust v. Allianz Ins. Co.*, 2017 WL 2495417, at *5 (Del. Super.).
[22] *United Vanguard Fund, Inc. v. TakeCare, Inc.*, 693 A.2d 1076, 1079 (Del. 1997).
[23] *IDT Co. v. U.S. Specialty Ins. Co.*, 2019 WL 413692, at *5 (Del. Super.) *citing* Super. Ct. R. 56(h).
[24] *Brooke v. Elihu-Evans*, 1996 WL 659491, at *2 (Del.) *citing Oliver B. Cannon & Sons, Inc. v. Dorr-Oliver, Inc.*, 312 A.2d 322 (Del. Super. 1973).

***Delaware's No Fault Statutory Scheme***

Vehicle owners are required to carry Personal Injury Protection ("PIP") coverage.[25] This coverage extends to "reasonable and necessary" expenses for two years after the loss.[26] Section 2118B governs how insurers must process PIP claims.[27] The process is embodied within Section 2118B(c):

> "[T]he insurer shall promptly process the claim and shall, ***no later than 30 days following*** the insurer's ***receipt*** of said written ***request*** for first-party insurance benefits and ***documentation*** that the treatment or expense is compensable pursuant to § 2118(a) of this title, ***make payment*** of the amount of claimed benefits that are due to the claimant ***or***, if said claim is wholly or partly ***denied***, ***provide*** the claimant with a written ***explanation*** of the ***reasons*** for such denial."[28]

The remainder of Section 2118B addresses a penalty schedule for late payments.[29] Subsection C contains an interest payment schedule that ranges from 1.5% to 2.5% depending on the timing of late payment.[30] Subsection D permits policyholders to bring suit against insurers for violations of Subsection C.[31] Subsection D also permits recovery of attorney's fees if the insurer acted in bad

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[25] 21 *Del. C.* § 2118(a).
[26] 21 *Del. C.* § 2118(a)(2)a.
[27] The purpose of the process-related provisions is to "ensure reasonably prompt processing and payment" and avoid financial hardship being inflicted upon policyholders that arise out of lengthy delays. 21 *Del. C.* § 2118B(a). *See also Geico Gen. Ins. Co. v. Green*, 308 A.3d 132, 136 (Del. 2022).
[28] 21 *Del. C.* § 2118B(c) (emphasis added).
[29] The Delaware Supreme Court has clarified that the 30-day window in Section 2118B(c) is not meant to be a "rigid deadline[,]" and the Legislature's decision is reflected in Subsection C's late payment interest schedule. *Clark v. State Farm Mut. Auto. Ins. Co.*, 131 A.3d 806, 813–814 (Del. 2016).
[30] 21 *Del. C.* § 2118B(c).
[31] 21 *Del. C.* § 2118B(d).

faith.[32] Lastly, Subsection F clarifies that all other remedies at law remain available to policyholders.[33] The statute is designed to "prevent the financial hardship and damage to personal credit ratings that can result from the unjustifiable delays of such payments."[34]

***Bad Faith***

In bad faith claims, the plaintiff bears a two-fold burden in proving the insurer (1) breached the policy of insurance and (2) lacked reasonable justification for doing so.[35] Reasonable justification exists where there is a bona fide coverage dispute.[36] Punitive damages may be awarded where plaintiff has sufficiently proven bad faith and "that the insurer acted with reckless indifference or malice…."[37]

***Parties' Contentions***

Each summary judgment motion is underpinned by the central issue in this case: whether the Letter constituted a denial of Plaintiff's lost wages claim. Plaintiff argues the purpose of Section 2118B and its 30-day window for claims processing is to protect people living paycheck-to-paycheck. Defendant argues no denial

[32] 21 *Del. C.* § 2118B(d).
[33] 21 *Del. C.* § 2118B(f).
[34] *Geico* at 136.
[35] *Geico Ins. Co. v. Green*, 308 A.3d 132, 144–45 (Del. 2022) *citing Tackett v. State Farm Fire & Cas. Ins. Co.*, 653 A.2d 254, 264 (Del. 1995).
[36] *Id.* at 144 *citing Casson v. Nationwide Ins. Co.*, 455 A.2d 361, 369 (Del. Super. 1982).
[37] *Brown v. Geico Choice Ins. Co.*, 2026 WL 243987 at *2 (Del. Super.) *citing Enrique v. State Farm Mutual Automobile Ins. Co.*, 142 A.3d 506, 512 (Del. 2016).

occurred. In support, they point to the text of the Letter itself as well its date; (1) the Letter said that the claim was pending, (2) Defendant's "response was not yet due" under the 30-day window, and (3) the Letter merely requested information as part of "a reasonable investigation during the statutory 30-day period…."[38]

***Analysis***

Even evaluating the facts under the light most favorable to the Plaintiff, the Letter does not constitute a denial of Plaintiff's lost wages claim.[39] The plain language of this statute mandates the insurance company must either make payment or, if the claim is wholly or partly denied, provide a written explanation for denial—no later than 30 days. Here, the policyholder brought an action for a bad faith denial of insurance coverage before a denial was ever issued and while the insurer was within the statutorily prescribed time for claims investigation. Denial is not defined within the PIP statute.[40] Generally, denial in the insurance context means "[t]he rejection of an application for benefits."[41]

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[38] Def.'s Resp. Br. & Cross Mot. Summ. J., D.I. 68, at 3–5.
[39] *Standard Accident Ins. Co. v. Ponsell's Drug Stores, Inc.*, 202 A.2d 271, 274 (Del. 1964) ("[A] letter received by plaintiff requesting more information … cannot be considered as a denial of liability.").
[40] Delaware's Insurance Code provides a helpful definition in the context of health care arbitration. 18 *Del. C.* § 332 ("'Benefit denial' means the denial, in whole or in part, of payment or reimbursement for health-care services rendered or health-care supplies provided to any person claiming benefits under an insurance policy delivered or issued for delivery in Delaware.").
[41] Denial of claim, *Black's Law Dictionary* (12th ed. 2024).

The Letter lacked any degree of unequivocality necessary to constitute a denial. Instead, the Letter requested tax documentation, termination documentation, and an IME. This request was sent within the 30-day window. Plaintiff has characterized Defendant's three requests as Defendant's pretextual reasons for denial.[42] At oral argument, Plaintiff conceded the Defendant's actions were akin to a *de facto* denial, rather than an express denial, because the requested follow-up could not be complete within 30 days.

As stated, Plaintiff has failed to adduce proof of denial, which is an essential element of her claim. The record demonstrates Defendant was engaged in claims investigation in its communications with Plaintiff. While it may be impractical to accomplish the follow-up requested by Defendant within the 30-day window, this fact does not convert the Letter into a denial.

The Court also does not find the content of the Letter to be a pretextual denial. Insurers are not obligated to accuse their policyholders of fraud any time an adjuster questions the veracity of a claim during the pendency of the statutorily authorized period of claims investigation. *Clark* recognized the legislature's understanding that, in "reality there would be circumstances when an insurance company would be unable to process a claim within thirty days.[43] The statute itself recognizes this

[42] *See* Pl.'s Resp. Br., D.I. 59, at ¶ 5.
[43] *Clark,* 131 A.3d at 814.

reality and provides a remedy to ensure its underlying public policy is achieved by compensating the insured for his or her delay in receiving benefits.[44] This provides an incentive for insurers to make timely payment. But, the statute does not require automatic payment. The statute provides that insurers are to receive "documentation that the treatment or expense is compensable…" Investigation into the documentation provided is exactly why a time-period is provided by the statute.

Defendant was unable to complete its investigation of Plaintiff's lost wages claim before the instant lawsuit was filed, which was before the 30 day deadline passed. Because Defendant did not deny Plaintiff's lost wages claim, Defendant did not violate 21 *Del. C.* § 2118B. For her statutory damages and punitive damages claims, Plaintiff bears the burden of first proving that Defendant breached its contractual obligation to Plaintiff under the policy of insurance.[45] Plaintiff has failed to meet that threshold burden because she has failed to adduce proof of denial.

## ***Conclusion***

21 *Del. C.* § 2118B provides the process for insurers' processing of PIP claims. There is no genuine issue of material fact that Defendant did not violate 21 *Del. C.*

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[44] *Clark*, 131 A.3d at 813 (Section "2118B(c) provide[s] its own remedy–the payment of required interest…."). Further, the Delaware Supreme Court recognized "[t]he General Assembly plainly considered the ***reality*** that there would be circumstances when an insurance company would be ***unable to process*** a claim ***within thirty days***. It crafted a ***specific consequence*** involving an escalating interest rate to ***address*** the effect these ***delays*** would have on policyholders." *Id.* at 814 (emphasis added).

[45] *Green*, 308 A.3d at 144.

§ 2118B. Plaintiff's bad faith-related claims necessarily fail as Defendant did not breach the insurance policy. For these reasons, Defendant's Cross Motion for Summary Judgment is Granted.

**IT IS SO ORDERED.**

***/s/Sonia Augusthy***
Judge Sonia Augusthy