

# Law360 Insurance Authority: Del. Justices Decline Review Of SPAC Suit Coverage Dispute

The Delaware Supreme Court declined to take up an interlocutory appeal by a health care company's insurers of a decision that they must cover the company's defense costs in underlying special-purpose acquisition company litigation.

The state's high court said in \_\_\_\_\_ that it agrees with the Superior Court's decision that an interlocutory review isn't warranted in the coverage fight brought by Clover Health Investments Corp. against a group of insurers and that the benefits of such review "do not outweigh the inefficiency, disruption and probable costs" caused by an interlocutory appeal.

The coverage dispute stems from a SPAC merger deal between Social Capital Hedosophia Holdings Corp. and Clover Health, which led to the health care company becoming public in January 2021, according to court documents. Clover Health is seeking coverage for various lawsuits stemming from the deal, including a securities class action and several shareholder derivative suits, as well as a U.S. Securities and Exchange Commission investigation.

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