

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

JOEL HELFMAN,

Plaintiff,

vs

Case No: 06-13528
Honorable Victoria A. Roberts

GE GROUP LIFE ASSURANCE
COMPANY, ET AL,

Defendants.

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ORDER

Mr. Helfman filed an Objection to GE Group Life Assurance Company's 4th Request and Writ for Garnishment (Doc. #153). Defendant Genworth Life and Health Insurance Company f/k/a GE Group Life Assurance Company ("Genworth Life") responded (Doc. #155).

The Court overrules Helfman's objection and orders Sun Life Assurance to pay to Genworth Life, all amounts it currently holds as interest payable to Helfman, pursuant to this Court's Order of November 5, 2012.

The Court ordered Sun Life to pay interest to Helfman because of its delay in paying Helfman disability benefits to which he was entitled. The facts in this case are set forth in prior Orders. Helfman now contends that under state law, the interest is "part and parcel" of the disability payment and is not subject to garnishment. MCL 600.6023(1)(f).

On the other hand, Defendant contends that prejudgement interest, or interest on prejudgment interest, is not exempt from garnishment inasmuch as the exemption

statute exempts only “benefits...paid...on account of a disability.” MCL 600.6023(1)(f).
Neither party cites any cases.

The Court awarded interest based on its inherent discretion to award prejudgment interest. *Tiemeyer v Cmty. Mut. Ins. Co.*, 8 F.3d 1094, 1097 (6th Cir. 1993). The award was based on general equitable principles, *Shelby County Health Care Corp. V Majestic Star Casino*, 581 F.3d 355, 376 (6th Cir. 2009), and not because the Court believed prejudgment interest was part of “benefits...paid..on account of a disability.”

Plaintiff’s objection is **OVERRULED**; Genworth can proceed to garnish the interest award payable to Plaintiff.

IT IS ORDERED.

/s/ Victoria A. Roberts
Victoria A. Roberts
United States District Judge

Dated: December 19, 2012

The undersigned certifies that a copy of this document was served on the attorneys of record by electronic means or U.S. Mail on December 19, 2012.

S/Linda Vertriest
Deputy Clerk