

2022 Regular Session

HOUSE BILL NO. 936

BY REPRESENTATIVE HUVAL

INSURERS: Provides for the payment and adjustment of claims

1 AN ACT

2 To amend and reenact R.S. 22:1892(A)(1), (3), and (4), relative to the payment and
3 adjustment of certain insurance claims; to provide for the payment of any undisputed
4 amount due on a claim; to provide for initiation of loss adjustment; to provide for
5 requests for certain documents; to provide for written notice; and to provide for
6 related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:1892(A)(1), (3), and (4) are hereby amended and reenacted to
9 read as follows:

10 §1892. Payment and adjustment of claims, policies other than life and health and
11 accident; vehicle damage claims; extension of time to respond to claims
12 during emergency or disaster; penalties; arson-related claims suspension

13 A.(1) All insurers issuing any type of contract, other than those specified in
14 R.S. 22:1811, 1821, and Chapter 10 of Title 23 of the Louisiana Revised Statutes of
15 1950, shall pay the undisputed amount of any claim due any insured within thirty
16 days after receipt of satisfactory ~~proofs~~ proof of loss from ~~the~~ an insured or any party
17 in interest. The insurer shall notify the insurance producer of record of all such
18 payments for property damage claims made in accordance with this Paragraph.

19 * * *

1 (3)(a) Except in the case of catastrophic loss, ~~the~~ an insurer shall
2 acknowledge receipt of a claim, initiate loss adjustment of a property damage claim
3 and of a claim for reasonable medical expenses, and request from the insured any
4 items, statements, and forms that the insurer reasonably believes, at that time, will
5 be required from the insured within ~~fourteen~~ fifteen days after notification of loss by
6 the ~~claimant~~ insured.

7 (b) In the case of catastrophic loss, ~~the~~ an insurer shall acknowledge receipt
8 of a claim, initiate loss adjustment of a property damage claim, and request from the
9 insured any items, statements, and forms that the insurer reasonably believes, at that
10 time, will be required from the insured within thirty days after notification of loss by
11 the ~~claimant~~ insured; ~~except that~~ however, the commissioner may promulgate a rule
12 for extending the time period for initiating a loss adjustment for damages arising
13 from a presidentially declared emergency or disaster or a gubernatorially declared
14 emergency or disaster up to an additional thirty days. Thereafter, only one additional
15 extension of the period of time for initiating a loss adjustment may be allowed and
16 ~~must~~ shall be approved by the Senate Committee on Insurance and the House
17 Committee on Insurance, voting separately.

18 (c) Failure to comply with the provisions of this Paragraph shall subject the
19 insurer to the penalties provided in R.S. 22:1973.

20 (d) If the acknowledgment of receipt of a claim is not made in writing, the
21 insurer shall make a record of the date, manner, and content of the acknowledgment.

22 (e) An insurer may make additional requests for information if during the
23 investigation of the claim the additional requests are necessary.

24 (f) An insurer shall accept or reject a claim within fifteen business days of
25 receiving any items, statements, and forms required by the insurer to determine
26 satisfactory proof of loss. The acceptance or denial of a claim may be in whole or
27 in part.

28 (g) If an insurer is unable to accept or reject a claim within fifteen business
29 days after receiving the items, statements, and forms required by an insurer, the

Proposed law provides that an insurer shall accept or reject a claim within 15 business days of receiving any items, statements, and forms required by the insurer to secure satisfactory proof of loss.

Proposed law provides that if an insurer is unable to accept or reject a claim within 15 business days after receiving the items, statements, and forms required by the insurer, the insurer, within the same time period, shall notify the insured of the reasons that the insurer needs additional time to assess the claim. The insurer shall thereafter accept or reject the claim no later than 30 days after receiving the items, statements, and forms required by the insurer.

Present law provides that all insurers shall make a written offer to settle any property damage claim within 30 days after receipt of satisfactory proof of loss.

Proposed law provides that insurers shall make a written offer to settle, in whole or in part, within 30 days after receipt of satisfactory proof of loss.

(Amends R.S. 22:1892(A)(1), (3), and (4))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

1. Change the term "claimant" to "insured" throughout present and proposed law.
2. Specify that an insurer shall accept or reject a claim within 15 business days of receiving any items, statements, and forms required by the insurer to determine satisfactory proof of loss.