

POLICY HOLDERS' BILL OF RIGHTS

San Diego County Volunteer Lawyers Program

Fire Loss Claims – November 6, 2007

Paul A. Hilding
Hilding Law Firm
501 West Broadway, Suite 1760
San Diego, CA 92101
Tel: (619) 233-4200
Fax: (619) 233 4211
Email: hilding@hildinglaw.com

1. Insurers must promptly respond to all communications

“[Insurers] **shall immediately**, but in no event more than **fifteen** calendar days ... furnish the claimant with a complete response.” Fair Claims Settlement Practices Regulations, Section 2695.5(b)

2. Insurers must promptly acknowledge notice of claims, provide assistance, and begin investigation

“[Insurers] **shall immediately**, but in no event more than **fifteen** calendar days ... acknowledge receipt of such notice,” provide “necessary forms, instructions and reasonable assistance” and “begin any necessary investigation.” Section 2695.5(e)

3. Insurers must promptly accept or deny claims after receipt of proof of claim

“[Insurers] **shall immediately**, but in no event more than **forty** calendar days [after receipt of proof of claim] accept or deny the claim, in whole or in part.” Section 2695.7(b)

4. Insurers must fully explain any denial or partial denial of coverage in writing

“Where an insurer denies or rejects a first party claim in whole or in part, it shall do so in writing and shall provide to the claimant a statement listing all bases for such rejection or denial and **the factual and legal bases for each reason** given for such rejection or denial.” Section 2695.7(b)(i)

5. Insurers must not require unnecessary information

“No insurer shall persist in seeking information not reasonably required for or material to the resolution of the claim.” Section 2695.7(d)

6. Insurers must not delay payment because others may be responsible for loss

“No insurer shall delay or deny settlement of a first party claim on the basis that responsibility for payment should be assumed by others ...”
Section 2695.7(e)

7. Insurers must provide written notice of any statute of limitations

“[Insurers] shall provide written notice of any statute of limitation or other time period requirement upon which the insurer may rely to deny a timely claim.” Section 2695.7(f)

8. Insurers must not make unreasonably low settlement offer

“No insurer shall attempt to settle a claim by making a settlement offer that is unreasonably low.” Section 2695.7(g)

9. Insurers must promptly pay claims

“[Insurers] **shall immediately**, but in no event more than **thirty** days [after acceptance of claim] tender payment of the amount of the claim which has been determined and is not disputed by the insurer.” Section 2695.7(h)

10. Insurers must not condition interim payments or advances upon execution of a release

“No insurer shall inform a claimant that his or her rights may be impaired if a form or release is not completed within a specified time period.”
Section 2695.7(i)