

CLAIM HANDLING REQUIREMENTS

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ALABAMA



Time for Responding to Insured from Initial Receipt of Claim

An insurer must acknowledge receipt of a claim from its insured within 15 days of such receipt. Ala. Admin. Code r. 482-1-125-.06. The insurer must also provide necessary claim forms, instructions or reasonable assistance to the insured within 15 days of receipt of a claim. Ala. Admin. Code r. 482-1-125-.06. A reply to all other written requests by the insured must be made within 15 days of receipt. Ala. Admin. Code r. 482-1-125-.06.

Time for Providing Insured with Coverage Position/Reservation of Rights

Within 30 days of receipt of the proof of loss (or the number of days specified in the policy), an insurer must advise the insured of the status of acceptance or denial of the claim by the insurer. Ala. Admin. Code r. 482-1-125.07.

If the insurer needs more time to determine whether to accept or deny a claim, it shall notify the insured within 30 days, or the time specified in the policy, after receipt of proof of loss that it needs more time. Ala. Admin. Code r. 482-1-125.07.

If the investigation remains incomplete, the insurer shall notify the insured 45 days from the initial notification, and every 45 days thereafter, of the reasons that additional time is needed. Ala. Admin. Code r. 482-1-125.07.



ALASKA

Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act promptly upon communications regarding a claim arising under an insurance policy" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. Alaska Stat. § 21.36.125(2) and (3) (2006).

Within 10 days after receipt of notification of a claim from the insured, its agent or a third-party claimant, the insurer must give written acknowledgement to the insured, identifying the person handling the claim, including that person's name, address, telephone number, the firm name and the file number. Alaska Admin. Code tit. 3, § 26.040. The insurer must also "promptly" provide necessary claim forms, instructions and assistance to either the insured or a third-party claimant. Alaska Admin. Code tit. 3, § 26.040. It is recommended that the insurer provide this information at the time of the initial acknowledgement of the claim.

The insurer must respond to all other communications from an insured or a third-party claimant within 15 days of receipt. Alaska Admin. Code tit. 3, § 26.040.

Time for Providing Insured with Coverage Position/Reservation of Rights

"Failing to promptly provide a reasonable explanation of the basis in the insurance policy in relation to facts or applicable law for denial of a claim or for the compromise of a settlement" constitutes an unfair claim settlement practice. Alaska Stat. § 21.36.125(15) (2006).

An insurer must advise an insured of the acceptance or denial of a claim within 15 working days of receipt of a properly executed proof of loss. Al. Admin. Code § 26.070. While the initial investigation remains incomplete, additional written notification shall be provided within 45 days of the initial notification, and no more than every 45 days thereafter. Ala. Admin. Code § 26.070.

The insurer must pay the portions of the claim not in dispute within 30 working days of a properly executed statement of claim, proof of loss, or other acceptable evidence of loss. 3 Ala. Admin. Code § 26.070(2).



ARIZONA

Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. Ariz. Rev. Stat. § 20-461(2) and (3).

Every insurer must acknowledge notice of a claim within 10 working days upon receipt of such notice. Ariz. Admin. Code § R20-6-801. Responses to all other communications from an insured must also take place within 10 days of receipt. *Id.*

Time for Providing Insured with Coverage Position/Reservation of Rights

"Failing to promptly provide a reasonable explanation of the basis in the insurance policy in relation to facts or applicable law for denial of a claim or for the compromise of a settlement" constitutes an unfair claim settlement practice. Ariz. Rev. Stat. § 20-461(5).

An insurer must inform the insured in writing of its acceptance or denial of a claim within 15 days of the insurer's receipt of proofs of loss. Ariz. Admin. Code R20-6-801(G)(1)(a). If more time is needed to investigate a claim, the insurer must notify the insured of that fact within 15 days of its receipt of a proof of loss. Ariz. Admin. Code R20-6-801(G)(1)(b). If additional time is needed, the insurer must notify the insured within 45 days from the initial notification and every 45 days thereafter, setting forth the reasons that additional time for investigation is required. *Id.*

ARKANSAS



Time for Responding to Insured from Initial Receipt of Claim

Every insurer shall acknowledge receipt of notification of a claim within 15 working days of such receipt. 054-00-043 Ark. Code R. § 7(a). Insurers shall furnish forms for proof of loss within 20 days after a loss has been reported. *Id.* An insurer must respond to all other communications by an insured within 15 working days. 054-00-043 Ark. Code R. § 7(c).

Time for Providing Insured with Coverage Position/Reservation of Rights

An insurer must inform an insured in writing of its acceptance or denial of a claim within 15 days of the insurer's receipt of proofs of loss. 054-00-043 Ark. Code R. § 9(a)(1). If more time is needed to investigate a claim, the insurer must notify the insured of that fact within 15 days of its receipt of a proof of loss. 054-00-043 Ark. Code R. § 9(a)(2). If additional time is needed, the insurer must notify the insured within 45 days from the initial notification and every 45 days thereafter, setting forth the reasons that additional time for investigation is required. *Id.*

CALIFORNIA



Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. Cal. Ins. Code § 790.03(h)(2) and (3) (2006).

An insurer must acknowledge a claim and provide all necessary assistance, claim forms and instruction, within 15 days of its notice. Cal. Code Regs. tit. 10, § 1695.5(e). An insurer must also respond to any other communication by an insured within 15 days. Cal. Code Regs. tit. 10, § 2695.5(b).

Time for Providing Insured with Coverage Position/Reservation of Rights

"Failing to promptly provide a reasonable explanation of the basis in the insurance policy in relation to facts or applicable law for denial of a claim or for the compromise of a settlement" constitutes an unfair claim settlement practice. Cal. Ins. Code § 790.03(h)(13) (2006).

An insurer must accept or deny a claim within 40 days of receiving proof of a claim. Cal. Code Regs. tit. 10, § 2695.7(b). If more time is needed to investigate a claim, the insurer must notify the insured of that fact within 40 days of its receipt of a proof of loss, setting forth the reasons that additional time for investigation is required and every 30 days thereafter until the determination is made or legal action is served. Cal. Code Regs. tit. 10, § 2695.7(c)(1).

COLORADO

Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. Claim forms must be provided to the insured within 15 days of request. Colo. Rev. Stat. § 10-3-1104 (h)(II), (III).

No case law interprets and no regulation governs "act reasonably promptly." The best practice is to communicate with the insured within 14 days of receiving notice of the claim.

Time for Providing Insured with Coverage Position/Reservation of Rights

"Failing to affirm or deny coverage, reserving any appropriate defenses, within a reasonable time after having completed its investigation related to a claim" constitutes an unfair claim settlement practice by an insurer. Colo. Rev. Stat. § 10-3-1104(h)(V).

An insurer shall make a decision on claims within 60 days after a valid and complete claim has been made. 3 Colo. Code Regs. § 702-5-1-14. A valid and complete claim is one in which all information and documents necessary to prove the insured's claim has been provided and a reasonable investigation has been completed by the insured. *Id.*

CONNECTICUT



Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices.

No case law interprets and no regulation governs "act reasonably promptly." The best practice is to communicate with the insured within 14 days of receiving notice of the claim.

Time for Providing Insured with Coverage Position/Reservation of Rights

"Failing to affirm or deny coverage, reserving any appropriate defenses, within a reasonable time after having completed its investigation related to a claim" constitutes an unfair claim settlement practice by an insurer. Conn. Gen. Stat. Ann. § 38a-816(6)(e) (2006).

No case law interprets and no regulation governs "reasonable time." The best practice is to provide the insured with a coverage explanation within 30 days after the insurer's acknowledgement of the claim.

DELAWARE



Time for Responding to Insured from Initial Receipt of Claim

“Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies” and “failing to adopt and implement reasonable standards for the prompt investigation of claims” constitute unfair claim settlement practices. Del. Code Ann. tit.18, § 2304(16)(a), (b) (2006).

An insurer must acknowledge its receipt of notice of a claim within 15 working days of such receipt. 18-900-902 Del. Code Regs § 1.2.1.2. The investigation of claims must commence within 10 working days of receipt of notice of loss. 18-900-902 Del. Code Regs § 1.2.1.3.

Time for Providing Insured with Coverage Position/Reservation of Rights

“Failing to promptly provide a reasonable explanation of the basis in the insurance policy in relation to facts or applicable law for denial of a claim or for the compromise of a settlement” constitutes an unfair claim settlement practice. Del. Code Ann. tit. 18, § 2304(16)(a), (b) (2006).

An insurer must affirm or deny coverage within 30 working days after receiving proof of loss statements. 18-900-902 Del. Code Regs § 1.2.1.5.

DISTRICT OF COLUMBIA



Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. D.C. Code § 31-2231.17(b)(2) and (3) (2006).

No regulation governs "act reasonably promptly." The best practice is to communicate with the insured within 14 days of receiving notice of the claim.

Time for Providing Insured with Coverage Position/Reservation of Rights

"Failing to affirm or deny coverage, reserving any appropriate defenses, within a reasonable time after having completed its investigation related to a claim" constitutes an unfair claim settlement practice by an insurer. D.C. Code § 31-2231.17(b)(5) (2006).

No case law interprets and no regulation governs "reasonable time." The best practice is to provide the insured with a coverage explanation within 30 days after the insurer's acknowledgement of the claim.

FLORIDA



Time for Responding to Insured from Initial Receipt of Claim

An insurer must review and acknowledge notice of a claim within 14 days of receipt of it. Fl. Admin. Code Ann. r. 4-166.024(1). The insurer must begin its investigation within 10 days of receipt of proof of loss statement. Fl. Admin. Code Ann. r. 4-166.024(3).

Time for Providing Insured with Coverage Position/Reservation of Rights

An insurer does not waive its rights to coverage defenses if a reservation of rights letter is sent to the insured, via hand-delivery or certified mail, within 30 days of when the insurer knew, or should have known, of the loss. Fla. Stat. § 627.426(2)(a).

GEORGIA



Time for Responding to Insured from Initial Receipt of Claim

There is no regulation addressing claims under all policies. However, for claims made under first-party property policies, an insurer must acknowledge receipt of such a claim within 15 business days and must provide the insured with necessary forms and instructions to process the claim. Ga. Comp. R. and Regs. 120-2-52.03(1). The proof of loss forms must also be provided within 15 days of notice of the claim. Ga. Comp. R. and Regs. 120-2-52.03(2). This practice is recommended for all notices of claims.

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. Ga. Code Ann. § 33-6-34 (2) and (3) (2006).

Time for Providing Insured with Coverage Position/Reservation of Rights

For claims made under first-party property policies, an insurer must advise the insured in writing of its approval or denial of a claim within 15 days after receiving a properly executed proof of loss. Ga. Comp. R. and Regs. 120-2-52.03(3). If no proof of loss form is necessary, the insurer must advise the insured of its approval or denial of a claim within 30 days after notification of the claim. *Id.* This practice is recommended for all claims made.

"Failing to affirm or deny coverage of claims within a reasonable time after having completed its investigation related to such claim or claims" constitutes an unfair claim settlement practice by an insurer. Ga. Code Ann. § 33-6-34(7) (2006).

HAWAII



Time for Responding to Insured from Initial Receipt of Claim

An insurer must respond, in full, to all communications from an insured or a claimant within 15 days. Haw. Rev. Stat. § 431:13-103(11)(b). The insurer must provide written notification for any delay on any claim remaining unresolved within 30 days from the date it was reported. Haw. Rev. Stat. § 431:13-103(G).

“Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies” and “failing to adopt and implement reasonable standards for the prompt investigation of claims” constitute unfair claim settlement practices. Haw. Rev. Stat. § 431:13-103(11)(C) and (D) (2005).

Time for Providing Insured with Coverage Position/Reservation of Rights

“Failing to affirm or deny coverage of claims within a reasonable time after having completed its investigation related to such claim or claims” constitutes an unfair claim settlement practice by an insurer. Haw. Rev. Stat. § 431:13-103(11)(E) (2005).

It is recommended, based on the provisions noted above, that the insurer provide written notification of the acceptance or denial of a claim within 30 days of receipt.

IDAHO



Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute improper claims practice. Idaho Code Ann. § 41-1329(2) and (3) (2006).

No regulation governs "act reasonably promptly." The best practice is to communicate with the insured within 14 days of receiving notice of the claim.

Time for Providing Insured with Coverage Position/Reservation of Rights

Failing to promptly provide a reasonable explanation of the basis for a denial or offers of a compromise settlement constitutes an improper claims practice. Idaho Code Ann. § 41-1329(5) (2006).

No case law interprets and no regulation governs "reasonable time." The best practice is to provide the insured with a coverage explanation within 30 days after the insurer's acknowledgement of the claim.

ILLINOIS



Time for Responding to Insured from Initial Receipt of Claim

Failing to “acknowledge with reasonable promptness pertinent communications with respect to claims arising under its policies” constitutes an improper claims practice by an insurer. 215 Ill. Comp. Stat. Ann. 5/154.6(b) (2006).

No case law interprets and no regulation governs “acknowledge with reasonable promptness.” The best practice is to communicate with the insured within 14 days of receiving notice of the claim.

The insurer must provide the insured with forms necessary to make claims, plus explanations of how to use the forms, within 15 working days of the insured’s request. 215 Ill. Comp. Stat. Ann. 5/154.6(o) (2006).

Time for Providing Insured with Coverage Position/Reservation of Rights

Failing to “adopt and implement reasonable standards for the prompt investigations and settlements of claims” and failing to “affirm or deny coverage of claims within a reasonable time after proof of loss statements have been completed” constitute improper claims practices. 215 Ill. Comp. Stat. Ann. 5/154.6(c) and (i) (2006).

An insurer is required to affirm or deny liability on claims within a reasonable time and shall pay covered claims or provide a written explanation to the insured for a denial within 30 days of affirmation or determination of liability. Ill. Admin. Code tit. 50, § 919.50(a) (2006).

For third-party claims, the insurer must also provide the third party with a reasonable written explanation of the basis of a denial within 30 days after the initial determination of liability. Ill. Admin. Code tit. 50, § 919.50(a) (2006).

The speed with which an insurer responds or provides its coverage position to the insured is a “factor” to be considered when evaluating the insurer’s conduct, and a lengthy delay in responding is normally not enough to constitute an estoppel or waiver of a coverage defense. *Twin City Fire Ins. Co. v. Old World Trading Co.*, 639 N.E.2d 584 (1993), *app. den’d*, 645 N.E.2d 1369 (1993) (holding that assertion of defense within four months of receiving notice of claim was reasonable).

Illinois permits an insured to seek extracontractual damages and attorneys’ fees for an insurer’s vexatious and unreasonable delays in claims handling. 215 Ill. Comp. Stat. Ann. 5/155(1) (2006).

INDIANA



Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. Ind. Code Ann. § 24-4-1-4.5(2) and (3) (2006).

No case law interprets and no regulation governs "act reasonably promptly." The best practice is to communicate with the insured within 14 days of receiving notice of the claim

Time for Providing Insured with Coverage Position/Reservation of Rights

"Failing to promptly provide a reasonable explanation of the basis in the insurance policy in relation to facts or applicable law for denial of a claim or for the compromise of a settlement" constitutes an unfair claim settlement practice. Ind. Code Ann. § 24-4-1-4.5(14) (2006).

No case law interprets and no regulation governs "promptly provide." The best practice is to provide the insured with a coverage explanation within 30 days after the insurer's acknowledgement of the claim.

IOWA



Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. Iowa Code Ann. § 507B.4(9)(b) and (c) (2006).

No case law interprets and no regulation governs "act reasonably promptly." The best practice is to communicate with the insured within 14 days of receiving notice of the claim.

Time for Providing Insured with Coverage Position/Reservation of Rights

"Failing to promptly provide a reasonable explanation of the basis in the insurance policy in relation to facts or applicable law for denial of a claim or for the compromise of a settlement" constitutes an unfair claim settlement practice. Iowa Code Ann. § 507B.4(9)(n) (2006).

An insurer must inform an insured in writing of its acceptance or denial of a claim within 30 days of the insurer's receipt of proofs of loss. If more time is needed to investigate a claim, the insurer must notify the insured of that fact within 30 days of the insurer's receipt of a proof of loss. If additional time is needed, the insurer must notify the insured within 45 days from the initial notification and every 45 days thereafter, setting forth the reasons that additional time for investigation is required. Iowa Admin. Code r. 191-15.41(507B) (2006).

KANSAS



Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. Kan. Stat. Ann. § 40-2404(9)(b) and (c) (2006).

No case law interprets and no regulation governs "act reasonably promptly." The best practice is to communicate with the insured within 14 days of receiving notice of the claim.

Time for Providing Insured with Coverage Position/Reservation of Rights

"Failing to promptly provide a reasonable explanation of the basis in the insurance policy in relation to facts or applicable law for denial of a claim or for the compromise of a settlement" constitutes an unfair claim settlement practice. Kan. Stat. Ann. § 40-2404(9)(n) (2006).

No case law interprets and no regulation governs "promptly provide." The best practice is to provide the insured with a coverage explanation within 30 days after the insurer's acknowledgement of the claim.

KENTUCKY



Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. Ky. Rev. Stat. Ann. § 304.12-230 (2) and (3) (2006).

An insurer must acknowledge a claim within 15 days of its notice. 806 Ky. Admin. Regs. 12:095 (2006).

Time for Providing Insured with Coverage Position/Reservation of Rights

"Failing to promptly provide a reasonable explanation of the basis in the insurance policy in relation to facts or applicable law for denial of a claim or for the compromise of a settlement" constitutes an unfair claim settlement practice. Ky. Rev. Stat. Ann. § 304.12-230(14) (2006).

An insurer must affirm or deny coverage within a reasonable time. If more time is needed to investigate a claim, the insurer must notify the insured of that fact within 30 days of its receipt of a proof of loss. If additional time is needed, the insurer must notify the insured within 45 days from the initial notification and every 45 days thereafter, setting forth the reasons that additional time for investigation is required. 806 Ky. Admin. Regs. 12:095 (2006).

See *Motorists Mut. Ins. Co. v. Glass* 996 S.W.2d 437 (Ky. 1997), *as modified, reh'g den'd*, (holding that accident victims' refusal to settle because of their concern about health insurer's subrogation claim provided a reasonable foundation for liability insurer's failure to settle claim within 60 days of receiving notice, and, thus, insurer could not be held liable for attorney fees under unfair claims practice statute).



LOUISIANA

Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. Claim forms must be provided to an insured within 15 days of request. La. Rev. Stat. Ann. § 22:1214(14)(b), (c), and (o) (2006).

No case law interprets and no regulation governs "act reasonably promptly." The best practice is to communicate with the insured within 14 days of receiving notice of the claim.

Time for Providing Insured with Coverage Position/Reservation of Rights

"Failing to promptly provide a reasonable explanation of the basis in the insurance policy in relation to facts or applicable law for denial of a claim or for the compromise of a settlement" constitutes an unfair claim settlement practice. La. Rev. Stat. Ann. § 22:1214(14)(n) (2006).

No case law interprets and no regulation governs "promptly provide." The best practice is to provide the insured with a coverage explanation within 30 days after the insurer's acknowledgement of the claim.

MAINE



Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. Claim forms must be provided to an insured within 15 days of request. Me. Rev. Stat. Ann. tit. 24-A, § 2164-D(3)(B), (C), and (K) (2006).

No case law interprets and no regulation governs "act reasonably promptly." The best practice is to communicate with the insured within 14 days of receiving notice of the claim.

Time for Providing Insured with Coverage Position/Reservation of Rights

"Failing to affirm or deny coverage, reserving any appropriate defenses, within a reasonable time after having completed its investigation related to a claim" constitutes an unfair claim settlement practice by an insurer. Me. Rev. Stat. Ann. tit. 24-A, § 2164-D(3)(B), (C), and (K) (2006).

No case law interprets and no regulation governs "reasonable time." The best practice is to provide the insured with a coverage explanation within 30 days after the insurer's acknowledgement of the claim.

MARYLAND



Time for Responding to Insured from Initial Receipt of Claim

An insurer must acknowledge its receipt of notice of a claim within 15 working days of such receipt. Md. Code Regs. 31.15.07.03(B)(10) (2006).

Time for Providing Insured with Coverage Position/Reservation of Rights

Failing “to provide promptly on request a reasonable explanation of the basis for a denial of a claim” constitutes an unfair claim settlement practice. Md. Code Ann., Ins. § 27-303(6) (2006).

An insurer must affirm or deny coverage within 15 working days after receiving properly completed claim forms. Md. Code Ann., Ins. § 27-303 (12) (2006).

If an insurer has not completed its investigation within 45 days of notification, it must (1) write to the insured and provide the “actual reason” that additional time is necessary to investigate the claim, and (2) write the insured every 45 days thereafter until the insurer either affirms or denies coverage. Md. Code Regs. 31.15.07.04(B) (2006).



MASSACHUSETTS

Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. Mass. Gen. Laws Ann. ch. 176D, § 3(9)(a) and (b) (2006).

No regulation governs "act reasonably promptly." The best practice is to communicate with the insured within 14 days of receiving notice of the claim.

But see *Doe v. Liberty Mut. Ins. Co.*, 667 N.E.2d 1149 (Mass. 1996) (holding that insurer's failure to respond to insured's initial letter notifying insurer of claim, causing six-month delay in insurer's coverage determination and ultimate denial of coverage, was not unfair or deceptive insurance claim settlement practice, where insured was not prejudiced in any way by fact that he was uncertain about viability of his coverage claim for six months, and delay was not result of bad faith or ulterior motives).

Time for Providing Insured with Coverage Position/Reservation of Rights

"Failing to affirm or deny coverage, reserving any appropriate defenses, within a reasonable time after having completed its investigation related to a claim" constitutes an unfair claim settlement practice by an insurer. Mass. Gen. Laws Ann. ch. 176D, § 3(9)(n) (2006).

No case law interprets and no regulation governs "reasonable time." The best practice is to provide the insured with a coverage explanation within 30 days after the insurer's acknowledgement of the claim.

MICHIGAN



Time for Responding to Insured from Initial Receipt of Claim

An insurer must specify in writing the materials that constitute a satisfactory proof of loss within 30 days of receiving notice of a claim. Mich. Comp. Laws Ann. § 500.2006(3) (2006).

Time for Providing Insured with Coverage Position/Reservation of Rights

An insurer must pay covered claims within 60 days of receipt of a proof of loss. Mich. Comp. Laws Ann. § 500.2006 (3) (2006).

No case law, regulation or statute governs the time required to provide the insured with a coverage position or reservation of rights. The best practice is to provide the insured with a coverage explanation within 30 days after the insurer's acknowledgement of the claim.

MINNESOTA



Time for Responding to Insured from Initial Receipt of Claim

An insurer must acknowledge receipt of a claim within 10 business days of such receipt and must provide the insured with necessary forms and instructions to process the claim. Minn. Stat. Ann. § 72A.201, Subd. 4(1) (2006).

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. Minn. Stat. Ann. § 72A.20, Subd. 12(2) and (3) (2006).

Time for Providing Insured with Coverage Position/Reservation of Rights

An insurer must advise an insured in writing of the insurer's acceptance or denial of a claim within 60 business days after receiving a properly executed proof of loss. Minn. Stat. Ann. § 72A.201, Subd. 4(11) (2006).

"Failing to promptly provide a reasonable explanation of the basis in the insurance policy in relation to facts or applicable law for denial of a claim or for the compromise of a settlement" constitutes an unfair claim settlement practice. Minn. Stat. Ann. § 72A.20, Subd. 12(14) (2006).

MISSISSIPPI



Time for Responding to Insured from Initial Receipt of Claim

No case law, regulation or statute governs the time to respond to an insured after receiving notice of a claim. The best practice is to communicate with the insured within 14 days of receiving notice of the claim.

Time for Providing Insured with Coverage Position/Reservation of Rights

No case law, regulation or statute governs the time required to provide an insured with a coverage position or reservation of rights. The best practice is to provide the insured with a coverage explanation within 30 days after the insurer's acknowledgement of the claim.

MISSOURI



Time for Responding to Insured from Initial Receipt of Claim

An insurer must acknowledge receiving notice of a claim within 10 working days upon receipt of the notification. Mo. Code Regs. Ann. tit. 20, § 100-1.030 (2006). The insurer must provide appropriate claim forms with instructions on how to use them within 15 calendar days of a request. Mo. Ann. Stat. § 375.1007(13) (2006).

“Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies” and “failing to adopt and implement reasonable standards for the prompt investigation of claims” constitute improper claims practices. Mo. Ann. Stat. § 375.1007(2) and (3) (2006).

Time for Providing Insured with Coverage Position/Reservation of Rights

An insurer must advise an insured of its acceptance or denial of a claim within 15 working days after the submission of all forms necessary to establish the nature and extent of any claim. Mo. Code Regs. Ann. tit. 20, § 100-1.050 (2006).

If more time is required to investigate the claim, the insurer must write to the insured within 15 working days after the submission of the claim and explain why more time is needed. If the investigation remains incomplete, the insurer must write to the insured within 45 days from the date of the original notification and every 45 days thereafter, setting forth the reasons that additional time is needed. Mo. Code Regs. Ann. tit. 20, § 100-1.050 (2006).

Failing to promptly provide a reasonable explanation of the basis for a denial or offers of a compromise settlement constitutes an improper claims practice. Mo. Ann. Stat. § 375.1007(12) (2006).

MONTANA



Time for Responding to Insured from Initial Receipt of Claim

“Failing to acknowledge and act reasonably promptly upon communications with respect to claims” and “failing to adopt and implement reasonable standards for the prompt investigation of claims” constitute unfair claim settlement practices. Mont. Code Ann. § 33-18-201 (2006).

Time for Providing Insured with Coverage Position/Reservation of Rights

The only specific timeline given is that the “insurer shall pay or deny a claim within 30 days” after proof of loss unless the insurer reasonably requests additional information, in which case, the insurer has 60 days from the time proof of loss was submitted. Mont. Code Ann. § 33-18-232 (2006).

NEBRASKA



Time for Responding to Insured from Initial Receipt of Claim

“Failing to acknowledge with reasonable promptness pertinent communications with respect to claims” and “failing to adopt and implement reasonable standards for the prompt investigation and settlement of claims” constitute unfair claim settlement practices. Neb. Rev. Stat. Ann. § 44-1540 (2006).

Within 15 days after receipt of a claim, an insurer must acknowledge receipt of it. Neb. Admin. Code § 60-006 to -008.

Time for Providing Insured with Coverage Position/Reservation of Rights

Within 15 days after receipt of proof of loss, an insurer must accept or deny coverage, unless more time is needed, in which case the insurer must notify the insured of that and continue to do so every 30 days thereafter until a determination of coverage is made. Neb. Admin. Code § 60-006 to -008.

NEVADA



Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. Nev. Rev. Stat. Ann. § 686A.310 (2006).

Within 20 days after receipt of a claim, the insurer must acknowledge receipt of initial claim. Nev. Admin. Code § 686A.665 to .675.

Time for Providing Insured with Coverage Position/Reservation of Rights

Within 30 days after receipt of proof of loss, an insurer must accept or deny coverage, unless more time is needed, in which case the insurer must notify the insured of that and continue to do so every 30 days thereafter until a determination of coverage is made. Neb. Admin. Code § 686A.665 to .675.

NEW HAMPSHIRE



Time for Responding to Insured from Initial Receipt of Claim

“Failing to acknowledge with reasonable promptness pertinent communications with respect to claims” and “failing to adopt and implement reasonable standards for the prompt investigation and settlement of claims” constitute unfair claim settlement practices. N.H. Rev. Stat. Ann. § 417:4 (2006).

Within 10 days after receipt of an initial claim, the insurer must acknowledge such receipt. N.H. Code Admin. R. § 1001.01 to .02.

Time for Providing Insured with Coverage Position/Reservation of Rights

Within 30 days after receipt of proof of loss, an insurer must accept or deny coverage, unless more time is needed, in which case the insurer must notify the insured of that and continue to do so every 30 days thereafter until a determination of coverage is made. N.H. Code Admin. R. § 1001.01 to .02.

NEW JERSEY



Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. N.J. Stat. Ann. § 17:29B-4 (2006).

Within 10 days after receipt of an initial claim, an insurer must acknowledge its receipt. N.J. Admin. Code § 11:2-17.6 to :2-17.8.

Time for Providing Insured with Coverage Position/Reservation of Rights

An insurer must accept or deny coverage within 30 days after receipt of proof of loss for first-party claims (other than personal injury or auto damage claims, which are subject to a 60-day time limit); 45 days to accept or deny coverage after receipt of proof of loss for third-party property damage claims; and 90 days to accept or deny coverage after receipt of proof of loss for third-party bodily injury claims. If more time is needed, the insurer must notify the insured of that and continue to do so every 45 days thereafter until a determination of coverage is made. N.J. Admin. Code § 11:2-17.6 to :2-17.8.

NEW MEXICO



Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. N.M. Stat. Ann. § 59A-16-20 (2006).

New Mexico has not implemented any rules providing specific timelines for communications with insureds. The best practice is to respond to the initial claim within 14 days.

Time for Providing Insured with Coverage Position/Reservation of Rights

"Failing to affirm or deny coverage within a reasonable time after proof of loss" constitutes an unfair claim settlement practice. N.M. Stat. Ann. § 59A-16-20 (2006).

New Mexico has not implemented any rules providing specific timelines for communications with insureds. The best practice is to accept or deny coverage within 30 days after receipt of proof of loss.

NEW YORK



Time for Responding to Insured from Initial Receipt of Claim

“Failing to acknowledge with reasonable promptness pertinent communications with respect to claims” and “failing to adopt and implement reasonable standards for the prompt investigation and settlement of claims” constitute unfair claim settlement practices. N.Y. Ins. Law § 2601 (2006).

Within 15 days after receipt of an initial claim, an insurer must acknowledge receipt of it. N.Y. Admin. Code § 216.4 to .6.

Time for Providing Insured with Coverage Position/Reservation of Rights

Within 15 days after receipt of proof of loss, an insurer must accept or deny coverage, unless more time is needed, in which case the insurer must notify the insured of that and continue to do so every 90 days thereafter until a determination of coverage is made. N.Y. Admin. Code § 216.4 to .6.

NORTH CAROLINA



Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. N.C. Gen. Stat. Ann. § 58-63-15 (2006).

North Carolina has not implemented any rules providing specific timelines for communications with insureds. The best practice is to respond to the initial claim within 14 days.

Time for Providing Insured with Coverage Position/Reservation of Rights

"Failing to affirm or deny coverage within a reasonable time after proof of loss" constitutes an unfair claim settlement practice. N.C. Gen. Stat. Ann. § 58-63-15 (2006).

North Carolina has not implemented any rules providing specific timelines for communications with insureds. The best practice is to accept or deny coverage within 30 days after receipt of proof of loss. If claims filed with a third-party administrator or insurer are not paid within 30 days, the administrator or insurer must send a status report to the claimant within that time period. 11 N.C. Admin. Code 21.0106.

NORTH DAKOTA



Time for Responding to Insured from Initial Receipt of Claim

“Failing to acknowledge with reasonable promptness pertinent communications with respect to claims” and “failing to adopt and implement reasonable standards for the prompt investigation and settlement of claims” constitute unfair claim settlement practices. N.D. Cent. Code § 26.1-04-03 (2006).

North Dakota has not implemented any rules providing specific timelines for communications with insureds. The best practice is to respond to the initial claim within 14 days.

Time for Providing Insured with Coverage Position/Reservation of Rights

Failing to affirm or deny coverage within a reasonable time after proof of loss constitutes an unfair claim settlement practice. N.D. Cent. Code § 26.1-04-03 (2006).

North Dakota has not implemented any rules providing specific timelines for communications with insureds. The best practice is to accept or deny coverage within 30 days after receipt of proof of loss.

OHIO



Time for Responding to Insured from Initial Receipt of Claim

Within 10 days after receipt of an initial claim, an insurer must acknowledge such receipt. Ohio Admin. Code § 3901-1-54.

Time for Providing Insured with Coverage Position/Reservation of Rights

Within 21 days after receipt of proof of loss, the insurer must accept or deny coverage, unless more time is needed, in which case the insurer must notify the insured of that and continue to do so every 45 days thereafter until a determination of coverage is made. Ohio Admin. Code § 3901-1-54.

OKLAHOMA



Time for Responding to Insured from Initial Receipt of Claim

"Failing to adopt and implement reasonable standards for the prompt investigation of claims" constitutes an unfair claim settlement practice. Okla. St. Ann. tit. 36, § 1250.5.

Within 20 days after receipt of an initial claim, an insurer must acknowledge such receipt. Okla. Admin. Code § 365:15-3-5 to :15-3-7.

Time for Providing Insured with Coverage Position/Reservation of Rights

Within 45 days after receipt of proof of loss, the insurer must accept or deny coverage, unless more time is needed, in which case the insurer must notify the insured of that and continue to do so every 45 days thereafter until a determination of coverage is made. Okla. Admin. Code § 365:15-3-5 to :15-3-7.

OREGON



Time for Responding to Insured from Initial Receipt of Claim

"Failing to acknowledge and act reasonably promptly upon communications with respect to claims" and "failing to adopt and implement reasonable standards for the prompt investigation of claims" constitute unfair claim settlement practices. Or. Stat. Ann. § 746.230.

Within 30 days after receipt of an initial claim, an insurer must acknowledge such receipt. Or. Admin. Code § 836-080-0225-235.

Time for Providing Insured with Coverage Position/Reservation of Rights

"Failing to affirm or deny coverage within a reasonable time after proof of loss" constitutes an unfair claim settlement practice. Or. Stat. Ann. § 746.230.

Within 30 days after receipt of proof of loss, the insurer must accept or deny coverage, unless more time is needed, in which case the insurer must notify the insured of that and continue to do so every 45 days thereafter until a determination of coverage is made. Or. Admin. R. § 836-080-225 to -235.

PENNSYLVANIA



Time for Responding to Insured from Initial Receipt of Claim

“Failing to acknowledge and act reasonably promptly upon communications with respect to claims” and “failing to adopt and implement reasonable standards for the prompt investigation of claims” constitute unfair claim settlement practices. 40 Pa. Stat. Ann. § 1171.5.

Within 10 days after receipt of an initial claim, the insurer must acknowledge such receipt. 31 Pa. Code § 146.5 to .7.

Time for Providing Insured with Coverage Position/Reservation of Rights

“Failing to affirm or deny coverage within a reasonable time after proof of loss” constitutes an unfair claim settlement practice. 40 Pa. Stat. Ann. § 1171.5.

Within 15 days after receipt of proof of loss, the insurer must accept or deny coverage, unless more time is needed, in which case the insurer must notify the insured of that and continue to do so every 45 days thereafter until a determination of coverage is made. 31 Pa. Code § 146.5 to .7.

RHODE ISLAND

Time for Responding to Insured from Initial Receipt of Claim

Failing to (1) acknowledge and act with reasonable promptness upon pertinent communications with respect to claims arising under its policies, (2) adopt and implement reasonable standards for the prompt investigation and settlement of claims arising under its policies, and (3) provide forms necessary to present claims within 10 calendar days of a request with reasonable explanations regarding their use, constitute unfair claims practices by an insurer. R.I. Gen. Laws § 27-9.1-4.

An insurer must respond to a claim within 30 days of receipt of it, unless the insured agrees to a longer period of time. R.I. Gen. Laws § 27-9.1-4(16).

With regard to accident, health and life claims, the insurer must respond with necessary claims forms, instructions and reasonable assistance to the insured within 15 days of the initial notification. 02-030-013 R.I. Code R. § 4(A). As to property/casualty claims, the insurer must acknowledge receipt of the notice of claim in writing within 10 days. 02-030-073 R.I. Code R. § 5(D).

Time for Providing Insured with Coverage Position/Reservation of Rights

Failing to affirm or deny coverage of claims within a reasonable time after having completed its investigation related to the claim or claims constitutes an unfair claims practice by an insurer. R.I. Gen. Laws § 27-9.1-4 (7).

With regard to accident, health and life claims, the insurer is required to affirm or deny liability of the claims "within a reasonable time" and shall offer payment within 30 days of affirmation of liability if the amount claimed is not in dispute 02-030-013 R.I. Code R. § 4(D). If the insurer is denying the claim, written notice of the denial shall be sent to the claimant within 15 days of the determination. 02-030-013 R.I. Code R. § 4(H). For property/casualty claims, the insurer must advise the claimant of acceptance or denial of the claim within 15 days after receipt of the properly executed proofs of loss. 02-030-073 R.I. Code R. § 6(A). If the insurer needs more time to determine whether to accept or deny the claim, it shall notify the claimant within 15 days after receipt of the proofs of loss and give the reasons it requires additional time. If the investigation remains incomplete, the insurer shall notify the claimant within 45 days from the initial notification and every 45 days thereafter until the claim is accepted or denied, always setting forth the reasons for requiring additional time for investigation. 02-030-073 R.I. Code R. § 6(B)(1).



SOUTH CAROLINA

Time for Responding to Insured from Initial Receipt of Claim

An insurer must “acknowledge with reasonable promptness pertinent communications with respect to claims arising under its policies, including third-party claims arising under liability insurance policies.” S.C. Code Ann. § 38-59-20(2). The statute does not define “prompt,” and South Carolina has not implemented any rules providing specific timelines for acknowledging receipt of the claim. Therefore, the best practice is to respond to the initial claim within 14 days of receipt.

Time for Providing Insured with Coverage Position/Reservation of Rights

An insurer must “adopt and implement reasonable standards for the prompt investigation and settlement of claims, including third-party liability claims, arising under its policies.” S.C. Code Ann. § 38-59-20(3). South Carolina has not implemented any rules providing specific timelines for issuing a coverage position. Therefore, the best practice is to provide the insured with a coverage explanation within 30 days after the insurer’s acknowledgement of the claim.

SOUTH DAKOTA



Time for Responding to Insured from Initial Receipt of Claim

An insurer must “acknowledge and act within thirty days upon communications with respect to claims arising under insurance policies and to adopt and adhere to reasonable standards for the prompt investigation of such claims.” S.D. Codified Laws § 58-33-67. The statute does not differentiate between acknowledgement of the claim and the issuance of the coverage evaluation within those 30 days. Therefore, the best practice is to respond to the initial claim within 14 days of receipt.

Time for Providing Insured with Coverage Position/Reservation of Rights

An insurer must acknowledge and act within 30 days upon the initial communication regarding the claim. S.D. Codified Laws § 58-33-67. This statute can be interpreted as requiring the insurer to provide its coverage determination with 30 days of acknowledging the claim. Such rule coincides with the best practice, which is to provide the insured with a coverage explanation within 30 days after the insurer’s acknowledgement of the claim.

TENNESSEE



Time for Responding to Insured from Initial Receipt of Claim

An insurer is required “to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies.” Tenn. Code Ann. § 56-8-104(8)(ii). The statute does not define “reasonably promptly,” and Tennessee has not implemented any rules providing specific timelines for acknowledging receipt of the claim. Therefore, the best practice is to respond to the initial claim within 14 days of receipt.

Time for Providing Insured with Coverage Position/Reservation of Rights

An insurer is required “to affirm or deny coverage of claims within a reasonable time after proof of loss statements have been completed.” Tenn. Code Ann. § 56-8-104(8)(iii). The statute does not define “reasonable,” and Tennessee has not implemented any rules providing specific timelines for issuing the insurer’s coverage position. Therefore, the best practice is to provide a coverage opinion within 30 days of the company’s acknowledgment of the claim.

TEXAS



Time for Responding to Insured from Initial Receipt of Claim

An insurer must “acknowledge with reasonable promptness pertinent communications with respect to claims arising under its policies, provided that ‘pertinent communications’ shall exclude written communications that are direct responses to specific inquiries made by the insurer after initial report of a claim.” 28 Tex. Admin. Code § 21.203(2). This provision also states: “An acknowledgment within 15 business days is presumed to be reasonably prompt.” *Id.*

Time for Providing Insured with Coverage Position/Reservation of Rights

An insurer must “affirm or deny coverage of a claim to a policyholder within a reasonable time. The reasonable submission of a reservation of rights letter by an insurer to a policyholder within a reasonable time is deemed compliance with the provisions of this paragraph.” 28 Tex. Admin. Code § 21.203(10). The statute does not define “reasonable,” and Texas has not implemented any rules providing specific timelines for issuing a coverage position. Therefore, the best practice is to provide the insured with a coverage explanation within 30 days after the insurer’s acknowledgement of the claim.

UTAH



Time for Responding to Insured from Initial Receipt of Claim

An insurer is required to “acknowledge and act promptly upon communications about claims under insurance policies.” Utah Code Ann. § 31A-26-203(3)(a). The insurer must also “adopt and implement reasonable standards for the prompt investigation and processing of claims under insurance policies.” Utah Code Ann. § 31A-26-203(3)(b). Utah’s Code provides neither a definition of “promptly” nor a specific timeline for responding to the initial claim. Therefore, the best practice is to acknowledge the claim within 14 days of receipt.

Time for Providing Insured with Coverage Position/Reservation of Rights

An insurer is required to “promptly provide the insured a reasonable explanation of the basis for denial of a claim or for the offer of a compromise settlement.” Utah Code Ann. § 31A-26-203. Utah’s Administrative Code sets forth a timeline for issuing the insurer’s decision in the area of health and accident policies only. Utah Admin. Code r. 590-192-8(5)(a) provides that, for non-urgent care types of claims, the insurer must notify the claimant of the insurer’s decision within 30 days of receipt of the request for claim. In all other areas, the best practice is to provide a coverage opinion within 30 days of the company’s acknowledgment of the claim.

VERMONT



Time for Responding to Insured from Initial Receipt of Claim

An insurer commits an unfair claim settlement practice when it fails to (1) acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies or (2) adopt and implement reasonable standards for the prompt investigation of claims arising under insurance policies. Vt. Stat. Ann. tit. 8, § 4724(9).

An insurer shall orally or by mail acknowledge receipt of the claim notice directly to the claimant within 10 working days. If the acknowledgement is made orally, notation of the acknowledgement must be recorded in the insurer's records or file. 21-020-008 Vt. Code R. § 5(A).

Time for Providing Insured with Coverage Position/Reservation of Rights

An insurer must "affirm or deny coverage of claims within a reasonable time after proof of loss statements have been completed." Vt. Stat. Ann. tit. 8, § 4724(9). The statute does not define "reasonable time." However, Vermont's Administrative Code provides guidance on the timeline required for issuing the coverage determination.

An insurer shall advise the first-party claimant of the acceptance or denial of the claim within 15 working days after receipt by the insurer of the properly executed proofs of loss. 21-020-008 Vt. Code R. § 6(A). If the insurer needs more time to determine whether a first-party claim will be accepted or denied, it must notify the first-party claimant with the reasons why more time is needed within 15 working days after receipt of the proofs of loss. 21-020-008 Vt. Code R. § 6(C). If the insurer needs more time to determine whether a third-party claim will be accepted or denied, the insurer must notify the third-party claimant with the reasons why it needs additional time within 30 working days after receipt of notice of the claim. *Id.* If the investigation remains incomplete, the insurer shall, 30 working days from the date of the initial notification and every 30 working days thereafter, send to the claimant a letter setting forth the status of the investigation and reasons why additional time is required. Note that the provisions of 21-020-008 Vt. Code R. § 6(C) "shall not apply upon filing of suit by first-party claimant or employment of legal counsel by third-party claimant." *Id.*

VIRGINIA



Time for Responding to Insured from Initial Receipt of Claim

Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies and failing to adopt and implement reasonable standards for the prompt investigation of claims arising under insurance policies constitute unfair claims practices. Va. Code Ann. § 38.2-510.

An insurer, "upon receiving notification of a claim shall, within 10 working days, acknowledge receipt of such notice unless payment is made within such period of time." 14 Va. Admin. Code § 4-400-50(A). "Notification given by a claimant to an agent of an insurer shall be notification to the insurer." *Id.*

Time for Providing Insured with Coverage Position/Reservation of Rights

An insurer must "affirm or deny coverage of claims within a reasonable time after proof of loss statements have been completed." Va. Code Ann. § 38.2-510(5). The insurer, unless otherwise specified in the policy, must advise a first-party claimant of the acceptance or denial of claim within 15 working days after the insurer receives the executed proofs of loss. 14 Va. Admin. Code § 5-400-60(A). If the insurer requires additional time to determine coverage of a first-party claim, it shall notify the first-party claimant within 15 working days after receipt of the proofs of loss, giving the reasons why more time is needed. *Id.* If the investigation of the first-party claim has not been completed, the "insurer shall, within 45 days from the date of notification of a first-party claim and every 45 days thereafter, send to the first-party claimant a letter setting forth the reasons additional time is needed for investigation." 14 Va. Admin. Code § 5-400-60(B).

WASHINGTON



Time for Responding to Insured from Initial Receipt of Claim

Failing to “acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies” and failing to “adopt and implement reasonable standards for the prompt investigation of claims arising under insurance policies” constitute unfair claims practices. Wash. Admin. Code § 284-30-330.

An insurer, “upon receiving notification of a claim shall, within ten working days, or 15 working days with respect to claims under group insurance contracts, acknowledge the receipt of such notice unless payment is made within such period of time. If an acknowledgment is made by means other than writing, an appropriate notation of such acknowledgment shall be made in the claim file of the insurer and dated. Notification given to an agent of the insurer shall be notification to the insurer.” Wash. Admin. Code § 284-30-360(1). The insurer shall complete its investigation of a claim within 30 days after notification of the claim, unless such investigation cannot reasonably be completed within such time. Wash. Admin. Code § 284-30-370.

Time for Providing Insured with Coverage Position/Reservation of Rights

An insurer must “affirm or deny coverage of claims within a reasonable time after proof of loss statements have been completed.” Wash. Admin. Code § 284-30-330.

The insurer must advise the first-party claimant of the insurer’s acceptance or denial of the claim within 15 working days after the insurer receives properly executed proofs of loss. Wash. Admin. Code § 284-30-380(1). If the insurer needs more time to determine whether a first-party claim should be accepted or denied, it must notify the first-party claimant within 15 working days after receipt of the proofs of loss, giving the reasons why more time is needed. Wash. Admin. Code § 284-30-380(3). If the investigation remains incomplete, the insurer shall, within 45 days from the date of initial notification and no later than every 30 days thereafter, send to the claimant a letter setting forth the reasons additional time is needed for investigation. *Id.*

WEST VIRGINIA



Time for Responding to Insured from Initial Receipt of Claim

Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies and failing to adopt and implement reasonable standards for the prompt investigation of claims arising under insurance policies constitute unfair claims practices. W. Va. Code § 33-11-4 (9).

An insurer must, upon receiving notification of a claim, acknowledge receipt of the notice within 15 working days, unless full payment is made during that time. W. Va. Code R. § 114-14-5. The insurer must provide the claimant with notification of all forms, items and statements which the insurer reasonably believes will be required of the claimant within 15 working days of receiving the notice of claim.

Time for Providing Insured with Coverage Position/Reservation of Rights

An insurer must "affirm or deny coverage of claims within a reasonable time after proof of loss statements have been completed." W. Va. Code § 33-11-4 (9).

The insurer must establish procedures to commence its investigation of any claim filed within 15 working days of receipt of notice of claim. W. Va. Code R. § 114-14-6-6.2(a). The insurer must accept or deny the claim within 10 working days of completing its investigation. W. Va. Code R. § 114-14-6-6.3. Although West Virginia does not set a specific timeline for how long an investigation lasts, the best practice is for an insurer to provide its coverage determination within 30 days of its acknowledgment of the claim.



WISCONSIN

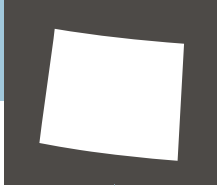
Time for Responding to Insured from Initial Receipt of Claim

An insurer must “promptly acknowledge pertinent communications with respect to claims arising under insurance policies.” Wis. Admin. Code Ins. § 6.11(3)(1). The statute defines “prompt” or “promptly,” providing that these terms “shall mean responsive action within 10 consecutive days from receipt of a communication concerning a claim.” Wis. Admin. Code Ins. § 6.11(4).

Time for Providing Insured with Coverage Position/Reservation of Rights

An insurer must “promptly provide a reasonable explanation of the basis in the policy contract or applicable law for denial of a claim or for the offer of a compromise settlement.” Wis. Admin. Code Ins. § 6.11(3)(5). The statute also provides the an insurer “must affirm or deny coverage within a reasonable time after proof of loss has been completed.” Wis. Admin. Code Ins. § 6.11(3)(7). The statute does not define “reasonable,” and Wisconsin has not implemented any rules providing specific timelines for issuing a coverage position. Therefore, the best practice is to provide the insured with a coverage explanation within 30 days after the insurer’s acknowledgement of the claim.

WYOMING



Time for Responding to Insured from Initial Receipt of Claim

An insurer must “acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies.” Wyo. Stat. Ann. § 26-13-124(a)(ii). The insurer must also “adopt and implement reasonable standards for the prompt investigation of claims arising under insurance policies.” Wyo. Stat. Ann. § 26-13-124(a)(iii). Wyoming’s statutes do not define “promptly” and no rules have been implemented that provide specific timelines for acknowledging receipt of the claim. Therefore, the best practice is to respond to the initial claim within 14 days of receipt.

Time for Providing Insured with Coverage Position/Reservation of Rights

An insurer must “affirm or deny coverage of claims within a reasonable time after proof of loss statements have been completed.” Wyo. Stat. Ann. § 26-13-124(a)(v). Section 26-13-124(a)(v) does not define “reasonable,” and Wyoming has not implemented any rules providing specific timelines for issuing a coverage position. Therefore, the best practice is to provide the insured with a coverage explanation within 30 days after the insurer’s acknowledgement of the claim.