

New law prohibits issuance or delivery in this state of any fire insurance policy with respect to residential or commercial property unless the insurer advises the insured in writing, prominently displayed on a form promulgated by the commissioner of insurance, as to coverages that are included in the policy for which premiums are paid.

Requires that the insurer also disclose whether or not the insured has coverage for flooding or mold and whether there is an increased deductible required for hurricane damage. Further requires that this disclosure state that flood insurance is available through the National Flood Insurance Program and that excess flood insurance may be available under a separate policy of insurance.

New law requires that the disclosure be included as an insert in the front of the policy and that it be printed in bold type and not less than a 14 point font.

New law provides that no payment of a claim on a homeowner's policy is to be considered a final settlement if the insurer fails to provide the insured with a statement accurately reflecting the amount paid under each category of coverage under the policy. Requires that this statement list each provision of coverage in the insurance policy under which the insurer may be entitled to payment, the maximum amount that may be paid under each category and the amount actually included in the payment under each category of coverage. Requires that this statement be given to the insured prior to the execution of a release by the insured.

Effective on December 6, 2005.

(Adds R.S. 22:696 and 1471.1)