
DIGEST

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HB 558 Original

2022 Regular Session

Willard

Abstract: Provides for claims settlement practices.

Present law provides that insurers shall pay the amount of any claim due any insured within 30 days after receipt of satisfactory proofs of loss.

Present law provides that insurers shall make a written offer to settle any property damage claim, including any third-party claim, within 30 days after receipt of satisfactory proofs of loss.

Proposed law retains present law and provides that an insurer shall make a determination as to whether it has received satisfactory proof of loss and begin the claims settlement process within 90 days of receiving a claim from an insured.

Present law provides that an insurer who knowingly fails to pay the amount of any claim due any person insured by the contract within 60 days after receipt of satisfactory proof of loss from the claimant when such failure is arbitrary, capricious, or without probable cause shall be considered to have breached its duty to act in good faith.

Present law provides that in addition to any general or special damages to which a claimant is entitled for an insurer breaching its duty to act in good faith, the claimant may be awarded penalties assessed against the insurer in an amount not to exceed two times the damages sustained or \$5,000, whichever is greater.

Proposed law retains present law and provides that an insurer shall make a determination as to whether it has received satisfactory proof of loss and begin the claims settlement process within 90 days of receiving a claim from an insured.

(Amends R.S. 22:1973(B)(5); Adds R.S. 22:1892(A)(6))