
DIGEST

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HB 558 Engrossed

2022 Regular Session

Willard

Abstract: Provides for claims settlement practices.

Present law provides for certain standards in claims settlement practices and provides penalties for violation of those standards.

Proposed law retains present law.

Proposed law provides that if an insurer issues a check, draft, or other negotiable instrument that is jointly payable to an insured and a mortgagee or mortgage servicer as payment of insurance settlement proceeds for multiple types of coverage, the insurer shall provide a receipt indicating the dollar amount of insurance proceeds paid under each type of coverage.

Proposed law provides that in lieu of a receipt, an insurer may issue separate checks, drafts, or other negotiable instruments for payment of each type of coverage.

(Adds R.S. 22:1892(A)(6))

Summary of Amendments Adopted by House

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

1. Restore present law (R.S. 22:1973(B)(5)).
2. Delete the time frames for determining satisfactory proof of loss in proposed law.
3. Require insurers to issue a receipt indicating the dollar amount of insurance settlement proceeds paid under each type of coverage along with the payment in certain circumstances.
4. Provide that an insurer may issue separate payments for each type of coverage in lieu of issuing a receipt.
5. Make technical changes.