

CLAIMS HANDLING FOR ILLINOIS Property & Casualty Insurance

ACT TO BE PERFORMED	COMPLIANCE TIMEFRAME	REFERENCE
Make a bonafide effort to communicate with all insureds and claimants where liability is reasonably clear and maintain evidence of effort to communicate in the claim file	Within 21 working days after a notification of loss	Ill. Admin. Code tit. 50, § 919.40 215 Ill. Comp. Stat. 5/154.6(c)
Acknowledge pertinent communications from a claimant or insured with respect to claims arising under policy	Within 15 working days from receipt of the communication	Ill. Admin. Code tit. 50, § 919.40 215 Ill. Comp. Stat. 5/154.6(b)
Provide forms necessary to present claims with explanation of effective use of forms	Within 15 working days of a request	215 Ill. Comp. Stat. 5/154.6(o)
Affirm or deny liability on claims	Within a reasonable time	Ill. Admin. Code tit. 50, § 919.50(a) 215 Ill. Comp. Stat. 5/154.6(i)
In the case of the denial of a claim or the offer of a compromise settlement, provide a reasonable and accurate explanation of the basis in the insurance policy or applicable law for such denial or compromise settlement	Promptly	215 Ill. Comp. Stat. 5/154.6(n)
Offer payment on claims if the amount of the claim is determined and not in dispute	Within 30 calendar days after affirmation of liability	Ill. Admin. Code tit. 50, § 919.50(a)
Tender payment for portions of the claim which are not in dispute and for which the payee is known	Within 30 calendar days after affirmation of liability	Ill. Admin. Code tit. 50, § 919.50(a)
On first party claims if a settlement of a claim is less than the amount claimed, or if the claim is denied, provide a reasonable written explanation of the basis of the lower offer or denial. Include the policy definition, limitation, exclusion or condition upon which denial was based, and a Notice of Availability of the Department of Insurance.	Within 30 calendar days after the investigation and determination of liability is completed	Ill. Admin. Code tit. 50, § 919.50(a)(1)
If the claim is denied, provide the third party a reasonable written explanation of the basis of	Within 30 calendar days after the initial	Ill. Admin. Code tit. 50, § 919.50(a)(1)

the denial	determination of liability	
Report vexatious or unreasonable delay findings by a court of law to the Director of the Illinois Department of Insurance and enclose copy of findings and penalties, if any	Within 30 days after such findings	Ill. Admin. Code tit. 50, § 919.80(a) 215 Ill. Comp. Stat. 5/155
For automobile collision claims, make final payment or render the repaired automobile to the insured or third party claimant	Within 40 calendar days from the date of notification of the loss	Ill. Admin. Code tit. 50, § 919.80(b)(1), (2)
If a first party physical damage automobile claim remains unresolved for more than 40 calendar days from the date the claim is reported, provide a reasonable written explanation for the delay to the insured and include Notice of Availability of the Department of Insurance	Not specified	Ill. Admin. Code tit. 50, § 919.80(b)(2)
For automobile property damage liability claims, make final payment or render the repaired automobile to the insured or third party claimant	Within 60 calendar days from the date of notification of the loss	Ill. Admin. Code tit. 50, § 919.80(b)(1), (3)
If an automobile property damage liability claim remains unresolved for more than 60 calendar days from the date the claim is reported, provide a reasonable written explanation for the delay to the third-party claimant and include Notice of Availability of the Department of Insurance	Not specified	Ill. Admin. Code tit. 50, § 919.80(b)(3)
Make final payment on claims on policies of fire and extended coverage insurance	Within 40 calendar days from the date of notification of loss	Ill. Admin. Code tit. 50, § 919.80(b)(1) Ill. Admin. Code tit. 50, § 919.80(d)(7)(A) 215 Ill. Comp. Stat 5/143.13
If claim on a policy of fire and extended coverage insurance remains unresolved for more than 75 calendar days from the date it is reported, or 25 calendar days after receipt of proof of loss, whichever is less, provide reasonable written explanation for the delay to the insured and include Notice of Availability of the Department of Insurance	Not specified	Ill. Admin. Code tit. 50, § 919.80(d)(7)(B) 215 Ill. Comp. Stat 5/143.13
For fire and extended coverage claims, supply copy of written estimate upon which settlement of partial losses is based to insured	Upon request of insured	Ill. Admin. Code tit. 50, § 919.80(d)(7)(C)
For fire and extended coverage claims, review and respond in writing to insured in regard to a written estimate obtained by insured and provide insured with the name of a repair shop or contractor that will make the repairs	Promptly upon receipt of written estimate obtained by insured	Ill. Admin. Code tit. 50, § 919.80(d)(7)(C)

(Current as of May 2012) – This chart is not to be used as a substitute for reviewing the actual statutes and regulations.