

CLAIMS HANDLING FOR TEXAS Property & Casualty Insurance

ACT TO BE PERFORMED	COMPLIANCE TIMEFRAME	REFERENCE
Acknowledge pertinent communications with respect to claims	Within 15 business days	28 Tx. Admin. Code § 21.203(2)
Acknowledge receipt of first-party claim . If acknowledgment is not made in writing, record date, manner, and content of acknowledgment.	Not later than the 15 th day after the date of receipt of notice of claim	Tex. Ins. Code Ann. § 542.055(a)(1) Tex. Ins. Code Ann. § 542.055(c)
Acknowledge receipt of first-party claim if insurer is eligible surplus lines insurer. If acknowledgment is not made in writing, record date, manner, and content of acknowledgment.	Not later than the 30 th business day after the date of receipt of notice of claim	Tex. Ins. Code Ann. § 542.055(a)(1) Tex. Ins. Code Ann. § 542.055(c)
Commence investigation of first-party claim	Not later than the 15 th day after the date of receipt of notice of claim	Tex. Ins. Code Ann. § 542.055(a)(2)
Commence investigation of first-party claim if insurer is eligible surplus lines insurer	Not later than the 30 th business day after the date of receipt of notice of claim	Tex. Ins. Code Ann. § 542.055(a)(2)
Request from first-party claimant all items, statements, and forms that will be required from claimant	Not later than the 15 th day after the date of receipt of notice of claim	Tex. Ins. Code Ann. § 542.055(a)(3)
Request from first-party claimant all items, statements, and forms that will be required from claimant if insurer is eligible surplus lines insurer	Not later than the 30 th business day after the date of receipt of notice of claim	Tex. Ins. Code Ann. § 542.055(a)(3)
Notify first-party claimant in writing of the acceptance or rejection of a claim. If claim is rejected, state reasons for rejection.	Not later than the 15 th business day after the date of receipt of all items, statements, and forms required to secure final proof of loss	Tex. Ins. Code Ann. § 542.056(a), (c)
If insurer has reasonable basis to believe that loss resulted from arson, notify first-party claimant in writing of the acceptance or rejection of the claim. If claim is rejected, state reasons for rejection.	Not later than the 30 th day after receipt of all required items, statements, and forms	Tex. Ins. Code Ann. § 542.056(b)-(c)

If additional time is needed to determine acceptance or rejection of first-party claim , notify claimant of reasons additional time is needed	Not later than the 15 th business day after the date of receipt of all items, statements, and forms required to secure final proof of loss or, if reasonable basis for arson, not later than the 30 th day after receipt of all required items, statements, and forms.	Tex. Ins. Code Ann. § 542.056(d)
After notifying first-party claimant that additional time to determine acceptance or rejection of the claim is needed, notify claimant in writing of the acceptance or rejection of a claim	Not later than the 45 th day after the date of notification that additional time is needed	Tex. Ins. Code Ann. § 542.056(d)
Pay first-party claim if claimant is notified that claim or part of claim will be paid	Not later than the 5 th business day after the date notice is made	Tex. Ins. Code Ann. § 542.057(a)
Pay first-party claim if claimant is notified that claim or part of claim will be paid if insurer is an eligible surplus lines insurer	Not later than the 20 th business day after the date notice is made	Tex. Ins. Code Ann. § 542.057(c)
Pay first-party claim if payment of claim or part of claim is conditioned on the performance of an act by claimant	Not later than the 5 th business day after the date the act is performed	Tex. Ins. Code Ann. § 542.057(b)
Pay first-party claim if payment of claim or part of claim is conditioned on the performance of an act by claimant if insurer is an eligible surplus lines insurer	Not later than the 20 th business day after the date the act is performed	Tex. Ins. Code Ann. § 542.057(c)
On written request of a named insured under a liability insurance policy, provide insured information relating to the disposition of a claim, including name of each claimant, details relating to amount paid on claim, settlement of claim, or judgment on the claim, how claim, settlement, or judgment is to be paid, and any other information required by rule of the commissioner	Not later than the 30 th day after the date the request is received	Tex. Ins. Code Ann. § 542.101(b) Tex. Ins. Code Ann. § 542.103(a)
Notify insured in writing of an initial offer to settle a claim against a named insured under a casualty insurance policy	Not later than the 10 th day after the date an initial offer to settle the claim is made	Tex. Ins. Code Ann. § 542.153(a)
Notify insured in writing of settlement under a casualty insurance policy	Not later than the 30 th day after the date the claim is settled	Tex. Ins. Code Ann. § 542.153(b)
File a petition for judicial review (appeal) of a ruling or order of the department of insurance regarding unfair claim settlement practices	Not later than the 20 th day after the date of the ruling or order	Tex. Ins. Code Ann. § 542.011

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

*The statutory link provided is to the entire Texas Insurance Code. In order to find the specific statutory section, you will need to scroll down.