



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB3846

Introduced 02/25/05, by Rep. Wyvetter H. Younge

SYNOPSIS AS INTRODUCED:

215 ILCS 5/155.42 new

Amends the Illinois Insurance Code. Requires insurers to provide certain information to insureds or third-party claimants when paying or settling a claim, including how the money paid out is divided among categories of damages, what services the insurance company has paid for directly, and what services the insured or third-party claimant is responsible for paying out of payment by the insurer. Effective immediately.

LRB094 06355 LJB 36431 b

1 AN ACT concerning insurance.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Insurance Code is amended by adding
5 Section 155.42 as follows:

6 (215 ILCS 5/155.42 new)

7 Sec. 155.42. Allocation of claims and settlements;
8 information provided to insureds or third-party claimants. All
9 insurers authorized to business in this State shall provide the
10 following information in writing to an insured or third-party
11 claimant when paying or settling a claim made under a policy or
12 policies of insurance:

13 (1) The categories of damages that the payment is
14 intended to cover, including, but not limited to, medical
15 costs, repair or replacement of property, economic
16 damages, and non-economic damages.

17 (2) The amount allocated to each category.

18 (3) Any amount paid by the insurer to other persons for
19 services provided to the insured or third-party claimant as
20 a result of the incident giving rise to the claim that is
21 not included in the payment to the insured or third-party
22 claimant.

23 (4) Any amount claimed by the insured or third-party
24 claimant for services provided as a result of the incident
25 giving rise to the claim that the insured or third-party
26 claimant is still liable for paying out of the amount
27 received by the insured or third-party claimant from the
28 insurer.

29 Section 99. Effective date. This Act takes effect upon
30 becoming law.