

By: Representative Holland

To: Insurance; Judiciary A

HOUSE BILL NO. 1268

1 AN ACT TO SET FORTH THE "MISSISSIPPI TRUTH IN INSURANCE BILL
2 OF RIGHTS FOR INSURED CITIZENS"; TO CREATE A NEW CODE SECTION
3 REQUIRING CERTAIN INSURANCE COMPANIES TO PROVIDE TO A POLICYHOLDER
4 A COPY OF THE ENTIRE CONTENTS OF THE INSURANCE COMPANY'S FILE
5 PERTAINING TO THE POLICYHOLDER'S CLAIM, TO THE EXTENT THAT SUCH
6 CONTENTS ARE NOT PRIVILEGED UNDER LAW; AND FOR RELATED PURPOSES.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

8 **SECTION 1.** The following rights shall be known as the
9 "Mississippi Truth in Insurance Bill of Rights for Insured
10 Citizens," and such rights shall apply to the contractual
11 agreement between a policyholder and the insurance company
12 providing the policy with regard to every policy providing
13 residential insurance property coverage, including renters/tenants
14 insurance and mobile home/manufactured housing property coverage,
15 that is sold in this state:

16 (a) Policyholders shall have the right to competitive
17 pricing practices and marketing methods that enable them to
18 determine the best value among comparable coverage.

19 (b) Policyholders shall have the right to insurance
20 advertising and other selling approaches that provide accurate and
21 balanced information on the benefits and limitations of a policy.

22 (c) Policyholders shall have the right to an insurance
23 company that is financially stable.

24 (d) Policyholders shall have the right to be serviced
25 by a competent, honest insurance producer.

26 (e) Policyholders shall have the right to a readable
27 policy.

28 (f) Policyholders shall have the right to an insurance
29 company that provides an economic delivery of coverage and that
30 tries to prevent losses.

31 (g) Policyholders shall have the right to request from
32 the Mississippi Department of Insurance the license status of an
33 insurance company or producer.

34 (h) Policyholders shall have the right to receive in
35 writing from their insurance company the reason for any denial or
36 nonrenewal of coverage. The written statement from the insurance
37 company must provide an adequate explanation for the denial or
38 nonrenewal of coverage.

39 (i) Policyholders shall have the right to cancel their
40 policy and receive a refund of any unearned premium. If a policy
41 was funded by a premium finance company, the unearned premium will
42 be returned to the premium finance company to pay toward the
43 policyholder's financing loan.

44 (j) Policyholders shall have the right to a written
45 notification detailing any change in coverage at renewal.

46 (k) Policyholders shall have the right to receive a
47 written explanation of why a claim is denied in whole or in part.

48 (l) Policyholders shall have the right to request and
49 receive from the insurance company any adjusters' reports,
50 engineer reports, contractor reports, statements or documents
51 which are not privileged documents that the insurance company
52 prepared, had prepared, or used during its adjustment of the
53 policyholder's claim.

54 (m) Policyholders shall have the right to file a
55 written complaint against any insurance company or insurance
56 producer with the Mississippi Department of Insurance, and to have
57 that complaint investigated by the department.

58 **SECTION 2.** Before the commencement of any civil action based
59 on a claim under an insurance policy providing residential
60 insurance property coverage, including renters/tenants insurance

61 and mobile home/manufactured housing property coverage, upon the
62 request of the policyholder, the insurance company shall provide,
63 within twenty (20) business days, the policyholder with a copy of
64 the entire contents of the insurance company's file pertaining to
65 the policyholder's claim to the extent that such contents are not
66 privileged under law, including, but not limited to, the
67 following: any reports of adjusters, engineers, contractors or
68 others, any statements, letters or documents (whether in paper,
69 electronic or magnetic form) and any other information pertaining
70 to the claim, that the insurance company prepared or used, or had
71 prepared on its behalf, during the company's adjustment of the
72 policyholder's claim under the policy.

73 **SECTION 3.** This act shall take effect and be in force from
74 and after July 1, 2007.