Addendum: for use with Tennessee Life, Health, Property, Casualty and Personal lines online ExamFX courses and study guides per exam content outline updates effective 10/01/2019.

*The following are **content additions** to supplement your existing text:*

Tennessee Laws and Departmental Rules Common to All Lines

C. Unfair Trade Practices

6. Unfair Claims Settlement Practices

Upon receiving **notice of claim**, an insurer must acknowledge the receipt of the notice within **30 days** unless payment is made within that period of time. If an acknowledgement is not in writing, it must be notated and dated in the appropriate claim file. Upon receiving notification of claim, the insurer must promptly provide necessary claim forms, instructions and reasonable assistance so that first party claimants can comply with the policy conditions and the insurer's requirements for claims procedures.

Once proof of loss has been submitted, an insurer must advise the insured of the acceptance or denial of liability for the claims, no later than **60 days** from the receipt of proof of loss. If an insurer requires additional time to investigate a claim, it may extend the deadline an additional 60 days, as long as a reason for the delay is provided to the insured. Once an investigation has concluded, the insurer must notify the insured within **30 days**. If approved, the claim must be paid during this period of time.

Upon the request of the insured, insurers must fully disclose all benefits, coverages, and other provisions of a policy pertinent to a claim. Payment drafts, checks, or other accompanying letters attached to payments cannot indicate that the payment is "final" or "a release" of any claim unless the policy limit has been paid or both parties have agreed on a settlement. Unless written as a condition in the policy, claims cannot be denied solely on the fact that an insured doesn't provide written notice of loss within a specified timeframe.

All claims data (including for all closed claim files) for the current year and the previous **5 years** must be easily assessible to the Commissioner for examination. Claims data must include claims numbers, lines of coverage, dates of loss, payment of claims, or payment denials. In the event an insured files a complaint against the insurer to the Department, the insurer is responsible for responding to the request and provide pertinent claim information within 30 days.

Unless otherwise stated in the insurance contract, in accordance with state laws, insurers are prohibited from requiring an insured to take a polygraph test during the claims investigation.