

## CHAPTER 15. PROPERTY AND CASUALTY

### SUBCHAPTER 3. CLAIMS RESOLUTION AND UNFAIR CLAIM SETTLEMENT PRACTICES

#### **365:15-3-1. Purpose**

(a) This subchapter is promulgated pursuant to the Insurance commissioner's authority as set forth in 36 O.S. Sections ~~1260 and 1228 (Supp.1988)~~ 1250.16. It prohibits insurers and agents doing business in the state from engaging in unfair claims settlement practices and provides that if any insurer or agent performs any of the acts or practices prohibited by the ~~Claims Resolution Act~~ Unfair Claims Settlement Practices Act, the insurer or agent may be fined following an administrative hearing. The Unfair Claim Settlement Practices Act provides that a property and casualty insurer found by the Commissioner to engage in unfair claim settlement practices with such frequency as to indicate a general business practice shall be closely supervised by the Commissioner; the Commissioner may further require the property and casualty insurer to file periodic reports.

(b) The purpose of this subchapter is to set forth rules and procedures regarding the settlement of claims and to set forth the punishment for violation of this subchapter.

(c) The provisions of this subchapter are not exclusive and other acts, not specified herein, may also be deemed to be unfair claims settlement practices or unfair claim resolution acts.

#### **365:15-3-2. Definitions**

For the purpose of this subchapter, the terms "agent", "claimant", "first party claimant", "insurer", "Investigation", "notification of claim", "third party claimant", and "commissioner", shall have the meaning set forth in 36 O.S. § ~~1252 (1981)~~ 1250.2, the ~~Claims Resolution Act~~ Unfair Claims Settlement Practices Act.

#### **365:15-3-2.1. Minimum standard of performance**

The minimum standard of performance for all insurers is to comply with the provisions of 36 O.S. § ~~1221~~ 1250.1 et seq.

**APPENDIX B. OKLAHOMA WORKERS' COMPENSATION  
MANDATORY OPTIONAL DEDUCTIBLE ACCEPTANCE/REJECTION FORM  
[REVOKED]**

**APPENDIX B. OKLAHOMA WORKERS' COMPENSATION  
MANDATORY OPTIONAL DEDUCTIBLE ACCEPTANCE/REJECTION FORM  
[NEW]**

Oklahoma law requires insurers issuing a policy under the Administrative Workers' Compensation Act ("AWCA") to offer deductibles, optional to the policyholder, for benefits payable under the AWCA.

This form is applicable to the optional deductibles required by 85A O.S. § 95 and OAC 365:15-1-3.1 only. For larger negotiated deductibles, see OAC 365:15-1-3.1 and 365:15-1-3.2.

All five deductible options set forth below shall be fully disclosed to the prospective policyholder in writing. The policyholder is not required to select a deductible option, but if the policyholder chooses a deductible, the policyholder may choose only one combined deductible amount. The maximum combined deductible, including medical benefits and indemnity claims, shall be \$5,000.00 per claim. Please carefully review the requirements for the deductible options outlined below.

**DEDUCTIBLE OPTIONS**

Combined optional deductible amounts are \$1,000.00; \$2,000.00; \$3,000.00; \$4,000.00; and \$5,000.00.

**EMPLOYER OBLIGATIONS IF DEDUCTIBLE OPTION IS SELECTED**

If the applicant employer chooses a deductible, the insurer shall pay compensable claims to the person or medical providers entitled to the benefits conferred by the AWCA, and obtain reimbursement from the insured employer for the applicable deductible amount.

***WARNING: The insured employer must reimburse the insurer within sixty (60) days of a written demand. If the insured employer fails to reimburse the insurer within sixty (60) days, the insurer may seek to recover the full amount of such claim from the insured employer. In addition, the non-payment of deductible amounts shall be treated in the same manner as non-payment of premiums.***

**EXPERIENCE MODIFICATION**

Benefits paid by the insured employer under a deductible as provided herein may not be treated as benefits paid so as to harm the experience rating of the employer.

**ACCEPTANCE/REJECTION**

Yes, I have read the optional deductible information summarized above and want the following deductible amount to apply to claims under the AWCA. I understand that this deductible applies to every claim for bodily injury by accident or disease filed by an injured employee.

MEDICAL and INDEMNITY

- \$1,000.00
- \$2,000.00
- \$3,000.00
- \$4,000.00
- \$5,000.00
- \$\_\_\_\_\_ (other)

Yes, I understand that I am responsible for reimbursing my insurance company for the amounts of any deductible it pays.

No, I do not want the optional deductible described in this form.

NAMED INSURED: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

TITLE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

THIS FORM IS NOT A PART OF YOUR POLICY AND DOES NOT PROVIDE COVERAGE.

This form is provided pursuant to Oklahoma Administrative Code 365:15-1-3.1.