



LYNCH & ASSOCIATES, P.C.

Defending Insurance Companies & Self-Insureds

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CLAIMS HANDLING FOR CALIFORNIA Property & Casualty Insurance

ACT TO BE PERFORMED	COMPLIANCE TIMEFRAME	REFERENCE
Acknowledge receipt of notice of a claim to the claimant	Within 15 calendar days after receipt of a notice of a claim	Cal. Code Regs. Tit. 10, § 2695.5(e)(1)
Make an appropriate reply to all communications from a claimant regarding a claim which reasonably suggests that a response is expected	Within 15 calendar days following receipt of communication	Cal. Code Regs. Tit. 10, § 2695.5(b)
Provide necessary claim forms, instructions and reasonable assistance to claimant	Within 15 calendar days after receipt of a notice of a claim	Cal. Code Regs. Tit. 10, § 2695.5(e)(2)
Begin any necessary investigation of a claim	Within 15 calendar days after receipt of a notice of a claim	Cal. Code Regs. Tit. 10, § 2695.5(e)(3)
Advise the claimant of the acceptance or denial of the claim in whole or in part If rejecting: (a) for first party claimant must list all factual and legal bases with explanation of any statute or law if applicable within insurer's knowledge; (b) for third party claimant the denial or rejection of liability must be in writing.	Within 40 calendar days after receipt of proof of claim. Can be increased to 80 days or suspended completely if carrier has reasonable basis supported by specific information for belief that claim is false or fraudulent.	Cal. Code Regs. Tit. 10, § 2695.7(b)(1) Cal. Code Regs. Tit. 10, § 2695.7(k)
Provide additional written notification that the investigation remains incomplete and the reasons	Within 40 calendar days from the first notification and no more than every 30 calendar days thereafter until the investigation is complete	Cal. Code Regs. Tit. 10, § 2695.7(c)(1)
Pay portion of the claim not in dispute	Immediately but no later than within 30 calendar days	Cal. Code Regs. Tit. 10, § 2695.7(h)
Provide written notification to claimant not represented by an attorney of any statute of limitation or other time limit upon which the carrier might rely to deny a claim. Notice must clearly state the time limit that might be expiring and its effect upon the claim.	No less than 60 calendar days before the date on which the time limit might expire. If notice of claim is received by carrier within the sixty days prior to expiration, the notice of expiration must be given immediately.	Cal. Code Regs. Tit. 10, § 2695.7(f)

(Current as of May 2010) – This chart is not to be used as a substitute for reviewing the actual statutes and regulations.

*The link provided is to agency listing. In order to find the specific section, you will need to click on Title 10: §§ 2050-2698.99.13 under Insurance, Department of, then click Continue to Weblinks, then click the plus symbol next to Subchapter 7.5 Unfair or Deceptive Acts or Practices in the Business of Insurance, then click the plus symbol next to Article 1. Fair Claims Settlement Practices Regulations, and finally click the specific regulation referenced.