

Consumer Bill of Rights For Homeowners & Renters Insurance

AVISO: Este documento plantea sus derechos como asegurado. Usted tiene el derecho de llamar a su compañía y pedirle una copia en español de sus derechos como asegurado.

Introduction

This Bill of Rights is a summary of your rights and does not become a part of your policy. The Texas Department of Insurance adopted the Bill of Rights and requires insurance companies to provide you with a copy when they issue you a policy.

Texas law gives you certain rights regarding your homeowners and renters insurance. This Bill of Rights identifies your most important rights, but it does not include all your rights. Also, there are some exceptions to the rights listed here. If your agent, company, or adjuster tells you that one of these rights does not apply to you, contact the Texas Department of Insurance at 1-800-252-3439 or Consumer Services (111-1A), P.O. Box 149091, Austin, TX 78714-9091.

This Bill of Rights does not address your responsibilities. Your responsibilities concerning your insurance can be found in your policy. Failure to meet your obligations may affect your rights.

Information

1. You have the right to call the Texas Department of Insurance free of charge at 1-800-252-3439 to learn more about:
 - your rights as an insurance customer;
 - the license status of an insurance company or agent;
 - an insurance company's financial condition;
 - the complaint ratio and type of customer complaints filed against an insurance company;
 - an insurance company's rate as compared to the range of rates set by the state; and
 - other customer concerns.
2. You have the right to a toll-free number to call your insurance company free of charge with questions or complaints. You can find this number on a notice accompanying your policy. This requirement does not apply to small insurance companies.

Buying Insurance

3. Your insurance company or agent cannot make untrue, misleading, or deceptive statements to you relating to insurance.

4. You have the right to be told in writing why you are being denied coverage or why you are being denied access to less expensive coverage offered by other insurance companies represented by your agent. You must request the explanation.
5. For property located in 14 counties along the coast, you have the right to buy windstorm, hurricane, and hail coverage from the Texas Catastrophe Property Insurance Association (Catpool). Your property must meet certain requirements, and the coverage is limited to \$250,000 for your home and personal property or \$100,000 for your personal property. This right applies whether or not you buy other insurance for your house. In all other counties your homeowners policy included this coverage.

Cancellation/Refusal to Renew Your Policy

- Cancellation means the policy terminates *before the end* of the policy period or the insurance company reduces or restricts coverage under the policy.
 - Refusal to renew and non-renewal mean the policy terminates *at the end* of the policy period.
 - The policy period is shown on the declarations page at the front of your policy.
6. Your insurance company cannot cancel:
 - your initial policy after it has been in effect for 90 days; or
 - your renewed policy at any time unless:
 - you don't pay your premium when due; or
 - you make a fraudulent claim.
 7. To cancel your policy, your insurance company must mail you at least 10 days notice of cancellation. However, if you have paid your premium when due and the policy has been in effect less than 90 days, the insurance company must mail you notice of cancellation 30 days before your policy is cancelled.
 8. If the insurance company does not mail you notice of non-renewal at least 30 days before the policy expires, you have the right to require that your policy be renewed.
 9. You have the right to a written explanation of an insurance company's decision to cancel or not to renew your policy. You must request the explanation.
 10. You have the right to cancel your policy at any time and receive a refund of the remaining premium.

11. If your marital status changes, you have the right to continue your insurance coverage. You have a right to a new policy in your name that has benefits equal to your prior policy benefits. The insurance company cannot date the new policy so that a gap in coverage occurs.
12. Your insurance company cannot cancel or refuse to renew your policy because you have filed claims for damage from natural causes, including weather-related damage. However, your insurance company can cancel your policy for weather-related claims during the first 90 days of the initial policy period.
13. Your insurance company cannot refuse to renew your policy because you have filed claims for damage that is not from natural causes unless:
 - you have filed two or more of these claims in less than three years; and
 - the insurance company has notified you that they may refuse to renew your policy if you file a third claim within the three-year period.

Claims

14. You have the right to reject any settlement amount, including any valuation, offered by the insurance company. You have the right to have your home repaired by the repair person of your choice.
15. The insurance company must tell you in writing why your claim or part of your claim was rejected.
16. You have the right to refuse to provide your insurance company with information that does not relate to your claim. In addition, you may refuse to provide your federal income tax records unless your insurer gets a court order or your claim involves lost income or a fire loss.
17. When you file a claim on your own policy, you have the right to have your claim processed and paid promptly. If the insurance company fails to meet the claims processing and payment deadlines in your policy, you have the right to collect 18% annual interest and attorney's fees in addition to your claim amount.

Generally, your insurance company must approve or deny your claim within 36 days after the company receives notice of your claim, (plus the time you take to provide requested information) unless the company notifies you that more time is needed and tells you why. This additional period of time cannot exceed 45 days.

If your claim is approved, your insurance company must pay the claim within 5 business days after they notify you they have accepted your claim.

If your claim results from a weather-related catastrophe or other major natural disaster as defined by the Texas Department of Insurance your insurance company may take

45 more days to approve or deny your claim and 15 more days to pay your claim.

18. You have the right to be treated fairly and honestly when you make a claim. If you believe an insurance company has treated you unfairly, call the Department of Insurance.

Discrimination

19. An insurance company cannot:
 - refuse to insure you, cancel your policy, refuse to renew your policy
 - offer you different terms, conditions or benefits, or charge you a different rate
 Because of your race, color, religion, sex, familial status, national origin, or mental or physical disability.
20. Unless the insurance company has statistically justified basis, it cannot refuse to renew your policy because of your age or where you live. Insurance companies must be able to prove that the difference between differently rated groups is based on verifiable statistical differences. To do this they must show that there are differences between the costs of insuring one group (defined by age or location) and other groups. They must also prove that these different costs cannot be explained by any other characteristic of the policyholders within that group.

Enforcing Your Rights

21. You have the right to complain to the Texas Department of Insurance about any insurance company and/ or insurance matter and to receive a prompt investigation and response to your complaint. To do so, you should:
 - call 1-800-252-3439;
 - write to the Texas Department of Insurance, Consumer Services (111-1A), P.O. Box 149091, Austin, TX 78714-9091; or
 - fax your complaint to (512) 475-1771.
22. If an insurance company violates your rights, you have the right to sue that company in court, including small claims court, with or without an attorney, or file a complaint with the Texas Department of Insurance.
23. You have the right to demand appraisal to resolve a dispute over the amount of your loss. The insurance company also has the right to demand appraisal. In either case, you must pay a portion of the costs of the appraisal. The appraisal decision is binding on you and the insurance company as to the amount of the loss only.
24. You have the right to ask in writing that the Texas Department of Insurance make or change rules on any homeowners insurance issue that concerns you. Send your written request to: Texas Department of Insurance, Attn: Commissioner (112-1A), P.O. Box 149104, Austin, TX 78714-9104.