

**304.48-240 Prohibited activities.**

- (1) No person shall make any deceptive statement or omit material facts in connection with solicitation for membership in a liability self-insurance group.
- (2) Liability self-insurance groups shall not engage in unfair claims settlement practices and shall:
  - (a) Respond to claimant inquiries within fifteen (15) working days.
  - (b) Respond to Department of Insurance inquiries concerning claims within fifteen (15) working days.
  - (c) Complete the investigation of losses within thirty (30) days from the date the group has notice of a loss. An additional thirty (30) day period may be taken if reasonably necessary and upon written notice to the claimant.
  - (d) Not continue negotiations for settlement of a claim directly with a claimant who is neither an attorney nor represented by an attorney until the claimant's rights may be affected by a statute of limitations, a policy, or contract time limit without giving the claimant written notice at least sixty (60) days before the date on which the time limit shall expire and affect the claimant's rights.
  - (e) Not commit any other unfair or deceptive act or practice, as described in Subtitle 12 of this chapter, relating to claim settlement.
- (3) Liability self-insurance groups shall not commit unfair or deceptive acts or practices, as described in Subtitle 12 of this chapter, under its certificate of filing from the commissioner.

**Effective:** July 15, 2010

**History:** Amended 2010 Ky. Acts ch. 24, sec. 1603, effective July 15, 2010; and ch. 48, sec. 6, effective July 15, 2010. -- Created 1994 Ky. Acts ch. 358, sec. 24, effective July 15, 1994.

**Legislative Research Commission Note (7/15/2010).** This section was amended by 2010 Ky. Acts chs. 24 and 48, which do not appear to be in conflict and have been codified together.