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Department of Insurance

FORMS AND RATES BULLETIN NO. 29

Consumer Notices Required Under 21 *Del. C.* § 2118(a)(2)

Issued: September 22, 2004

Under an amendment to become effective for all automobile liability policies written or renewed after October 1, 2004, insurers, with respect to the Personal Injury Protection ("PIP") deductibles under the policies, will be required to:

- Provide each consumer/policyholder with a separate document that fully explains all of the PIP deductible options offered by the insurer
- Obtain a written acknowledgment from the consumer/policyholder that such explanation has in fact been received
- Obtain from the consumer/policyholder a signed separate acknowledgment of the specific PIP deductible selected by the consumer/policyholder which shall include an acknowledgment of the policy costs relating to such PIP deductible.

The requirements of 21 *Del. C.* § 2118(a)(2), as amended, do not conflict with the pre-existing obligations that insurers have under Regulation 603 (formerly Regulation 9), including the insurer's obligation to provide each policyholder with a copy of Form A under Regulation 603. The insurer's obligations under 21 *Del. C.* § 2118(a)(2), as amended, will require all insurers offering automobile liability insurance to amend the currently approved forms for use in the State of Delaware. The Department recognizes that compliance with the law may create a conflict with an insurer's obligations to file forms for approval under 18 *Del. C.* § 2712 et seq. The Department will require insurers to comply with the law as of October 1, 2004. However, insurers will be permitted to file the necessary form amendments for approval to their automobile policies at any time, provided, that no form amendment in compliance with 21 *Del. C.* § 2118(a)(2) shall be filed after December 31, 2004 for any form put into use prior to December 1, 2004. This bulletin applies only to form filings necessitated by 21 *Del. C.* § 2118(a)(2) and shall expire on December 31, 2004.

Donna Lee H. Williams
Insurance Commissioner