

600 Automobile Insurance

608 Automobile Insurance Coverage [Formerly Regulation 45]

1.0 Purpose and Statutory Authority

- 1.1 The purpose of this regulation is to provide for timely notice of coverage termination for short term automobile insurance coverage and for contact information for claim related matters. This regulation is promulgated pursuant to 18 **Del.C.** §311. This regulation should not be construed to create any cause of action not otherwise existing at law.

11 DE Reg. 220 (08/01/07)

2.0 Application

- 2.1 This regulation shall apply to all private passenger automobile insurance policies issued for a period of less than six months. Sections 2 and 3 of this regulation shall not apply to commercial automobile insurance policies.

11 DE Reg. 220 (08/01/07)

3.0 Requirement

- 3.1 Each insurer issuing a private passenger automobile insurance policy shall ensure that a renewal offer is issued to the policyholder not less than 20 days before the policy expiration date.
- 3.2 The offer shall contain, as a minimum, the policy number, date of termination of present coverage, renewal period, total cost to continue present coverage for a comparable renewal period, description of the coverage and insured vehicle(s), date by which payment must be made for continuous coverage.
- 3.3 Each insurer writing private passenger automobile insurance policies for periods of less than six months shall, not less than five days prior to expiration of coverage, provide the policyholder with a notice of termination. Such notice shall contain a warning that coverage will expire on the policy expiration date unless the renewal premium is paid, and shall include instructions for premium payment.
- 3.4 Exceptions:
- 3.4.1 No termination notice shall be required where the renewal premium has been paid.
- 3.4.2 Where the insurer, by written underwriting guidelines, allows a period of time after the policy expiration wherein the coverage will be continued without lapse, the notice of termination may be mailed to be received by the insured within five days of the final date in which the policy may be continued without lapse.
- 3.4.3 The renewal notice and the notice of termination shall be mailed, by ordinary mail, to the address of record as recorded by the insurer. A copy of the final notice shall be provided the producer of record.

4.0 Insurer's Obligation to Provide Contact Information

- 4.1 Every insurer authorized to issue private automobile insurance in this State shall provide a telephone number and email address to the Department of Insurance by and through which any insured or other claimant for benefits could contact the insurer for claims or claim related inquiries.

11 DE Reg. 220 (08/01/07)