

Sandy Praeger

COMMISSIONER OF INSURANCE

Bulletin 2006-5

TO: All Insurance Companies Licensed to Transact Business In Kansas

FROM: Sandy Praeger

Commissioner of Insurance

DATE: August 1, 2006

RE: Rescission of Bulletin 1998-11; Written Notice to Claimants of Payment of

Claims in Third Party Settlements.

Effective immediately Bulletin 1998-11 is rescinded. In pertinent part, Bulletin 1998-11 required companies to provide written notice to a claimant upon the payment of \$5,000 or more in settlement of any third party liability claim.

Bulletin 1998-11 required insurers to provide such notice if:

- (1) the claimant is a natural person, and
- (2) the payment is delivered to the claimant's attorney or other authorized representative by draft, check or otherwise.

Kansas law provides the Commissioner of Insurance with the power to make all reasonable rules and regulations necessary to enforce the laws of Kansas relating to the general supervision, control and regulation of insurance companies, etc. See K.S.A. 40-103. Currently, no rule or regulation promulgated by the Insurance Commissioner requires insurance companies to provide the notice set forth in Bulletin 1998-11. Accordingly, Bulletin 1998-11 is without authority and is rescinded effective immediately.

If you have any questions regarding this Bulletin, please contact Zachary Anshutz at the Kansas Insurance Department, 420 SW 9th Street, Topeka, Kansas, 66612, via phone at (785) 296-7809, or via email at zanshutz@ksinsurance.org.

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