

## Get Help from TDI

For insurance questions or for help with an insurance-related complaint, call the Texas Department of Insurance **Consumer Help Line** at **1-800-252-3439** or visit our website at **tdi.texas.gov**.

Visit **HelpInsure.com** to shop for automobile, homeowners, condo, and renters insurance, and **TexasHealthOptions.com** to learn more about health insurance and your options for coverage.

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# If My Insurance Company Fails



Texas Department of Insurance  
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Like any other business, an insurance company can have financial problems and be unable to meet its financial obligations. Most insurance companies licensed in Texas are members of a guaranty association. Guaranty associations help pay claims for their member companies that fail.

Texas has three guaranty associations:

- **The Texas Life and Health Insurance Guaranty Association** covers life insurance, health insurance, and annuities. For more information, visit [txlifega.org](http://txlifega.org).
- **The Texas Property and Casualty Insurance Guaranty Association** covers homeowners, auto, and workers' compensation insurance. For more information, visit [tpciga.org](http://tpciga.org).
- **The Texas Title Insurance Guaranty Association** covers title insurance and escrow shortages. For more information visit [ttiga.org](http://ttiga.org).

In addition to the guaranty associations, **Texas has a Self-Insurance Guaranty Fund** and a **Self-Insurance Group Guaranty Fund**. These funds cover workers' compensation benefits provided by self-insured employers and groups.

Health maintenance organizations (HMOs), surplus lines carriers, and multiple employer welfare arrangements don't have guaranty associations.

## Guaranty Associations

Licensed insurance companies must be a member of a Texas guaranty association. If you buy life or health insurance or annuities, you will get a summary of the coverage through the Texas Life and Health Insurance Guaranty Association.

If any insurance company or HMO isn't a member of a guaranty association, the policy must say that it isn't covered by a guaranty association.

## Covering Claims

The guaranty association will pay claims for its members who become insolvent. Some claims have dollar limits or other limitations, which vary by type of insurance. This means that only some of your claim might get paid. There's no dollar limit for workers' compensation claims.

If your claim isn't covered by a guaranty association, or is only partially paid, you might be able to file a claim with the receivership of the insurance company. If your company is in receivership, the receivership will send you a notice of the claims process. This information will also be on the receivership's website.

## Protect Yourself

When shopping for insurance, follow these tips to protect yourself:

- Buy only from licensed companies and agents. Unlicensed companies might not have enough money to pay claims. And if an unlicensed company fails, there's no guaranty association to help pay its claims.
- Consider factors other than price. A company's financial rating indicates its financial strength and stability. Its complaint index can indicate its customer service record. The complaint index shows how the number of consumer complaints against the company compares with other companies selling the same type of insurance. Call our Consumer Help Line or visit our website to learn a company's license status, its financial rating from an independent rating organization, and its complaint index.