

Consumer Bill of Rights for Credit Life, Credit Disability, and Credit Involuntary Unemployment Insurance

AVISO: Este documento es un resumen de sus derechos como asegurado. Usted tiene el derecho a llamar a su compañía y pedir una copia de estos derechos en español.

What is the Bill of Rights?

This Bill of Rights is a summary of your rights and does not become a part of your policy. The Texas Department of Insurance (TDI) adopted the Bill of Rights and requires insurance companies to provide you a copy when they issue your policy.

Texas law gives you certain rights regarding your credit life, credit disability (also called credit accident and health), and credit involuntary unemployment insurance. This Bill of Rights identifies your rights specified by rule or by state statute, but it does not include all of your rights. Some exceptions to the rights are not listed here, and legislative or regulatory changes since this notice was last revised are not reflected. If your agent, company, or adjuster tells you that one of these rights does not apply to you, contact TDI. For a list of the specific law(s) and/or rule(s) summarized in each item of this Bill of Rights, or if you have questions or comments, contact the Office of Public Insurance Counsel (OPIC) at 1-877-611-6742, by mail at 333 Guadalupe, Suite 3-120, Austin, TX 78701, or visit the OPIC website at www.opic.state.tx.us.

This Bill of Rights does not address your responsibilities. Your responsibilities concerning your insurance can be found in your policy. Failure to meet your obligations may affect your rights. Many people do not file credit insurance claims because they forget they have coverage. Keep this notice and your policy with your other important documents.

The Bill of Rights

Obtaining Information

1. You can call TDI at 1-800-252-3439 or 512-463-6515 to learn more about:
 - your rights as an insurance consumer,
 - the license status of an insurance company or agent,
 - the financial condition of an insurance company,
 - complaints that have been filed against an insurance company or agent,
 - insurance companies' rates, and
 - other consumer concerns.

You can also find information on TDI's website at www.tdi.texas.gov/commissioner/rights.html.

2. An insurance company must maintain a toll-free number to receive questions and complaints. The company must include the number on each insurance policy or certificate it issues.

Purchasing Credit Insurance

3. A creditor must provide a written statement describing any insurance you must provide in order to receive credit.

4. If credit insurance is required, a creditor cannot require that you buy it from a particular company or agent and must advise you of your right to obtain credit insurance from other sources before you complete the loan process. You may purchase a policy yourself, or you may be able to use an existing credit insurance policy.
5. Your application and policy must include your total cost for credit insurance over the term of the loan and the amount, term, and a brief description of the coverage. The total cost must be separate from any other charges. When you buy credit insurance, your creditor must give you a copy of your policy or certificate, your application for insurance, or a notice of proposed insurance.
6. An insurance company may not refuse to insure you, limit your coverage, or charge a different rate for the same coverage because of your race, color, religion, or national origin.
7. Unless it is based on sound underwriting or actuarial principles, an insurance company cannot refuse to insure you, limit your coverage, or charge a different rate for the same coverage because of your age, gender, marital status, geographic location, disability, or partial disability.

Restrictions on Premiums and Coverage

8. A creditor cannot charge you more for credit insurance than what the creditor paid for that insurance when they purchased it from the insurance company.
9. A creditor cannot require you to obtain credit insurance in an amount larger than the total amount of your debt.
10. A creditor must notify you at least 30 days before any unscheduled premium increases are direct drafted from your bank account. You must object to the increased draft at least five days before it goes into effect to stop the direct draft. Your company must send the notice to you by U.S. mail. The notice must include a toll-free number and mailing address to accept your objection.
11. A credit card company must give you at least 30 days written notice before changing credit insurance providers. The notice must tell you about any rate increase, your right to cancel your insurance, and explain any major decrease in coverage resulting from the change.

Cancellation and Refunds

12. You can cancel your credit insurance policy at any time. Before canceling your policy, you should contact your creditor or attorney to make sure you are not breaking the terms of your loan.
13. You are entitled to the return of any unused premiums when you cancel your policy, unless the amount is less than \$3.
14. Your creditor has 60 days to tell your insurance company that you have paid off your loan. They must give the insurance company your name, address, and the date your debt was paid off so that you may be sent a refund of unused premiums.

Protecting Your Privacy

15. You may prevent an insurance company from disclosing your private personal financial information to unaffiliated companies. Some examples of private personal information are income, social security number, credit history, and premium payment history. You may not prevent the release of information

that is publicly available, information the company must share in order to conduct ordinary business activities, or when disclosure is required by law.

16. Before sharing your private personal financial information with an unaffiliated business, an insurance company must provide you with a privacy notice explaining that it intends to share your private personal financial information.
17. An insurance company must give you at least 30 days from the date you receive the privacy notice to object, or “opt out,” of the disclosure of your personal financial information. You have the right to opt out at any time, and your decision remains in effect until you revoke it.

Filing a Claim on your Credit Insurance

18. When you, or your beneficiary, file a claim, your insurance company must acknowledge receipt of the claim, request any additional information related to the claim, and commence any investigation within 15 days.
19. When the insurance company receives all the information it requires to process the claim, it has 15 business days (30 days if the company believes the loss occurred due to arson) to send a written explanation denying the claim or a written notice approving the claim. The company can extend this deadline for an additional 45 days if it sends a written explanation of why it needs more time.
20. Your insurance company must pay a claim within 5 days of the date you, or your beneficiary, receive written notice that the company approved your claim.
21. Your insurance company must provide a written notice stating the reasons for any claim that it denies. An insurance company cannot deny a claim because of a false statement on your application unless there is proof that the misstatement was material, or contributed, to the cause of your claim. If the company discovers a false statement, they must notify you within 90 days in order to use the misrepresentation as a defense at trial.
22. You, or your beneficiary, can reject any settlement amount offered by the insurance company.
23. If there is a claim on your policy and the benefits paid exceed the debt pay-off, the settlement must include a payment to you, or your beneficiary, for the excess amount.
24. You, or your beneficiary, may sue your insurance company for the claim amount plus 18% annual interest and attorney's fees, if the claim is covered under your policy and the company fails to meet the required claims processing or payment deadlines listed in Rights 18, 19, and 20.

Enforcing Your Rights

25. You can file a complaint with TDI about an insurance company or insurance matter and receive a timely response to your complaint. To file a complaint, you may:
 - call TDI’s Consumer Help line at 1-800-252-3439 or 512-463-6515 for service in English and Spanish
 - write to the Texas Department of Insurance, Consumer Protection, Mail Code 111-1A, P.O. Box 149091, Austin, TX 78714-9091
 - send an email to TDI at ConsumerProtection@tdi.state.tx.us
 - fax your complaint to 512-475-1771
 - download or complete a complaint form online from the TDI website at www.tdi.texas.gov, or

- call the TDI Publications/Complaint Form Order Line at 1-800-599-7467 or 512-305-7211. The order line is available 24 hours a day, seven days a week.
26. You have the right to sue your insurance company with or without an attorney.
 27. For information about noninsurance credit issues, contact the Texas Office of Consumer Credit Commissioner at 1-800-538-1579 or info@occc.state.tx.us.
 28. You may request that TDI make or change rules regarding any insurance issue that concerns you. Send your written request to: Texas Department of Insurance, Attn: Commissioner (113-2A), P.O. Box 149104, Austin, TX 78714-9104.