

HCS HBs 339 & 714 -- SETTLEMENT OF TORT CLAIMS (DeGroot)

COMMITTEE OF ORIGIN: Standing Committee on Insurance Policy

This bill modifies provisions relating to tort claims.

#### SETTLEMENT OF TORT CLAIMS

This bill provides that a time-limited demand to settle any claim for personal injury, bodily injury, or wrongful death must be in writing and sent by certified mail to the tortfeasor's liability insurer, and it must include various material terms specified in the bill. Additional information, as provided in the bill, must accompany the demand including authorizations to allow the party to obtain records from all employers and medical care providers. Upon receipt of a time-limited demand, a recipient may ask for clarification of the terms without it being considered a counteroffer or rejection of the demand.

After acceptance of the time-limited demand, the defendant may provide payment to the claimant in the form of cash, money order, wire transfer, cashier's check, draft or bank check, or electronic funds transfer. A claimant may require payment within a specified period of time, but cannot be less than 10 days after written acceptance of the time-limited demand.

This bill does not apply to offers made within 90 days of the trial (Section 537.058, RSMo).

#### TORT CLAIMS

This bill specifies that if a person who has a claim for damages against a tort-feasor enters into a contract with a tort-feasor's insurer, such person will, in consideration for payment of a specified amount of money and in case of judgment against the tort-feasor, levy execution only up to the applicable monetary limits of the insurance contract. The bill also specifies that execution or garnishment proceedings as to the insurer or insurers depend on whether the insurer or insurers have been notified in writing of the contract and have been given the opportunity to intervene within 30 days in any lawsuit relating to the un-liquidated claim for damages (Section 537.065).