

**HOUSE . . . . . No. 807**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

*Antonio F. D. Cabral and Michael J. Rodrigues*

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to notice requirements for insurance premium changes and insurance coverage changes.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Antonio F. D. Cabral</i>	<i>13th Bristol</i>	<i>1/15/2015</i>
<i>Michael J. Rodrigues</i>	<i>First Bristol and Plymouth</i>	<i>1/16/2015</i>

**HOUSE . . . . . No. 807**

By Representative Cabral of New Bedford and Senator Rodrigues, a joint petition (accompanied by bill, House, No. 807) of Antonio F. D. Cabral and Michael J. Rodrigues relative to notice requirements for insurance premium changes and insurance coverage changes. Financial Services.

**The Commonwealth of Massachusetts**

**In the One Hundred and Eighty-Ninth General Court  
(2015-2016)**

An Act relative to notice requirements for insurance premium changes and insurance coverage changes.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Chapter 175 of the General Laws, as appearing in the 2012 Official  
2 Edition, is hereby amended by inserting

3 after section 225, the following section: -

4 Section 226 (a) An insurer shall provide to the first-named insured at the mailing address  
5 shown on the policy, and to the insurance producer of record, written notice of any premium  
6 increase in excess of 15 percent (15%) and shall also provide the exact renewal premium, at least  
7 forty-five (45) days prior to the expiration date of the exposure at the request of the insured. Not  
8 less than forty five (45) days written notice, as provided herein, shall be required for any  
9 coverage elimination, reduction, diminution or increased deductible not at the request of the  
10 insured and in this case the notice shall itemize and describe the coverage changes and shall be  
11 separate from the renewal policy. If the insurer fails to provide such notice, the coverage

12 provided to the named insured shall remain in effect until notice is provided or until the effective  
13 date of replacement coverage obtained by the named insured, whichever occurs first. For the  
14 purposes of this section, notice is considered given forty-five (45) days following date of giving  
15 of notice. If the named insured elects not to renew, any earned premium for the period of  
16 extension of the terminated policy shall be calculated pro-rata at the lower of the current or  
17 previous year's rate. If the insured accepts the renewal, the premium increase, if any, and other  
18 changes shall be effective the day following the prior policy's expiration or anniversary date.

19 (b) This section shall not apply to changes based upon the altered nature or extent of the  
20 risk insured.

21 (c) For purposes of this section, notice to the insurance producer of record shall not apply  
22 to an insurance producer of record who:

23 (1) Is an employee of the insurer; or

24 (2) Is a non-employee exclusive agent of the insurer; provided, however, notice as  
25 required by this section, shall in all applicable cases, be provided to the named insured.

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