

**PROGRAM DIVISION
BULLETIN**

2004-53

December 17, 2004

**DELAWARE Motorist's Protection Act & Required Acknowledgement
of Deductibles and Policy Cost.**

**Lines of Business: Commercial Automobile—Business Automobile, Garage and
Truckers**

SUMMARY

Effective October 1, 2004, the Delaware Legislature enacted Senate Bill 166 which amends the procedures in which an insurer may provide deductible options for Personal Injury Protection (PIP) coverage to a named insured. This new law limits the maximum amount of the PIP deductible to \$1,000.00 and requires that the insurance carrier explain the effects of the deductible on the auto coverages selected by the named insured.

As you know, we currently utilize AIG PIP selection / rejection form which explains all of the PIP deductible options available in the State of Delaware to the named insured.

As a result of this new law, we must now also provide the named insured with a separate statement acknowledging the specific deductible amount selected by the named insured and the premium cost associated with the deductible selected.

In order to be compliant with this new law, we have developed a new and separate form referred to as the **Delaware PIP Deductible Acknowledgement Form (87130 12/04)**. Please note, that like all PIP selection / rejection forms, this new form must be signed by the authorized representative of the named insured and that this new form must also be kept within the underwriting file for documentation purposes. A copy of this new form has been inserted directly below for your use.

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"DE PIP Deductible
Acknowledgement Ja

If you have any questions please contact your Program Manager.

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