62B.10 CLAIMS.

Subdivision 1. **Handling.** All claims shall be promptly reported to the insurer or its designated claim representative, and the insurer shall maintain adequate claim files. Claims shall be settled as soon as possible and in accordance with the terms of the insurance contract.

Subd. 2. **Payment.** All claims shall be paid either by draft drawn upon the insurer or by check of the insurer to the order of the claimant to whom payment of the claim is due pursuant to the policy provisions, or upon direction of the claimant to one specified.

Subd. 3. **Settlement or adjustment.** No plan or arrangement shall be used whereby any person, firm or corporation other than the insurer or its designated claim representative shall be authorized to settle or adjust claims. The creditors shall not be designated as claim representative for the insurer in adjusting claims; provided, that a group policyholder may, by arrangement with the group insurer, draw drafts or checks in payment of claims due to the group policyholder subject to audit and review by the insurer.

History: *Ex1967 c 2 s 10*