JULY 2002

WEST VIRGINIA INFORMATIONAL LETTER

NO. 121 A

TO: All Property and Casualty Companies

RE: Clarification of Uninsured and Underinsured Coverage Offers

The purpose of this informational letter is to clarify the requirements to offer certain limits under uninsured and underinsured coverage. We have been asked whether W. Va. Code §33-6-31 and/or Informational Letter 121 requires a specific offer of 20,000/40,000/10,000 of uninsured and underinsured motorist coverage or, whether an offer of higher limits satisfies the requirement.

W. Va. Code §33-6-31(b) requires an offer of uninsured motor vehicle coverage "within limits which shall be no less than the requirements of Section two, Article four, Chapter seventeen-d of this Code, as amended from time to time". Further, with regard to uninsured motor vehicle coverage, the aforesaid section requires an offer "up to an amount of one hundred thousand dollars because of bodily injury to or death of one person in any one accident and, subject to said limit for one person, in the amount of three hundred thousand dollars because of bodily injury to or death of two or more persons in any one accident and in the amount of fifty thousand dollars because of injury to or destruction of property of others in any one accident". Since the requirement is, in the first instance, an amount not less than minimum financial responsibility (currently 20,000/40,000/10,000), an offer in excess of that amount would meet the "not less than" test. The required offer of 100,000/300,000/50,000 is specific and must be made in that exact amount.

W. Va. Code §33-6-31(b) goes on to require, both as to uninsured motorist coverage and underinsured motorist coverage, an offer not less than the liability limits selected by the insured. Again, any offer which is equal to those limits, or greater than those limits, would satisfy the "not less than" requirement under the statute.

To the extent that Informational Letter 121 implies that a specific offer of 20,000/40,000/10,000 must be offered, it is hereby amended.

s:// Jane L. Cline
Jane L. Cline
INSURANCE COMMISSIONER