

TRINIDAD NAVARRO
COMMISSIONER



STATE OF DELAWARE
DEPARTMENT OF INSURANCE

DOMESTIC AND FOREIGN INSURERS BULLETIN NO. 110

TO: ALL INSURANCE CARRIERS

**RE: IMPLEMENTATION OF HOUSE BILL 94 (150th GENERAL ASSEMBLY)
RELATING TO CHILD SUPPORT LIENS ON INSURANCE CLAIM
PAYMENTS**

DATED: August 16, 2019

This Bulletin informs insurance carriers of the enactment of House Bill 94 (150th General Assembly), which adds new Section 2215A to Title 13. This new Section requires, as of the Bill's September 11, 2019 effective date, that all insurance carriers must share claims settlement information with an insurance claims data collection organization.

According to the Bill's Synopsis, the purpose of the new mandatory reporting requirement is to increase the collection of child support payments that are either in arrears or that are to be collected retroactively.

Under Title 13, Section 2215, an insurance carrier is liable to the Director of the Division of Child Support Services (the Director), as payee of a child support order, when that insurance carrier makes any payment or settlement in full or partial satisfaction of any claim, counterclaim, cross-claim, or other action or suit that involves someone who owes child support (an obligor), after the insurance carrier receives notice of a child support lien (*see* 13 *Del. C.* § 2215(g)(2)b, (g)(3), and (g)(4)).

The portion of the insurance claim payment or settlement that the insurance carrier owes the Director is the lesser of either the insurance payment/settlement amount or the amount of child support in arrears or due retroactively.

New Mandatory Reporting of Insurance Claim Settlement (*see* 13 *Del. C.* § 2215A)

New Section 2215A contains a mandatory requirement that all insurers share personal injury and workers compensation claims settlement information with an insurance claims data collection organization. The insurance claims data collection organization then matches claims data with its list of delinquent obligors, and reports matches to the Division of Child Support Services

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(Division). The Division is then able to intercept the insurance claims payment for the purposes of collecting the owed child support payment.

While many insurance carriers already voluntarily share claims data information with insurance claims data collection organizations, new Section 2215A makes data sharing mandatory.

This bulletin is being issued at the request of and in consultation with the Department of Health and Social Services (DHSS) Cabinet Secretary Dr. Kara Odom Walker and Delaware Division of Child Support Services Director Theodore G. Mermigos, Jr.

The Division informs that participation with the Child Support Lien Network (CSLN) would meet the statutory requirement. An insurer may contact CSLN directly at (888)240-7488 to discuss options for reporting claims data.

Please direct questions about reporting requirements to Kim Ritter, Social Service Senior Administrator, Division of Child Support Services, at Kim.Ritter@delaware.gov. Please include **Attn: Child Support Insurance Claims Payment Reporting** in the subject line. Please direct general questions about health insurance to consumer@delaware.gov.

This Bulletin shall be effective immediately and shall remain in effect unless withdrawn or superseded by subsequent law, regulation or bulletin.



Trinidad Navarro
Delaware Insurance Commissioner