

RS 22:143

§143. Funeral described; benefits payable

A.(1) Every funeral policy shall state the dollar value of the funeral to be furnished and shall specify therein those benefits which shall constitute the funeral to be furnished. If upon the death of the insured, the dollar value of the funeral to be furnished, as stated in the policy or policies, is less than the retail price of the funeral benefits specified in the policy or policies, the beneficiary shall be entitled to a cash payment which shall be equal to one hundred percent of the face amount of the policy or policies.

(2) It is the intent of the legislature that under no circumstances shall an insurer be required to provide services or reimburse to a beneficiary at amounts greater than the stated dollar amount of the policy.

(3) The provisions of this Subsection are interpretive of this Subpart and are intended to explain the original intent.

(4) The provisions of this Subsection shall be applicable to all claims existing or actions pending on July 6, 2004, and all claims arising or actions filed on or after July 6, 2004. The provisions of this Paragraph shall not be construed to affect any claim arising from or involving any misrepresentation as to the terms and conditions of the policy by an insurer or its agent to the insured.

B.(1) If for any reason the beneficiary does not avail himself of the contractual services as set forth in the funeral policy, in lieu thereof, the policy shall provide for a stated cash payment, which shall not be less than one hundred percent of the face amount of the policy on policies written after January 1, 1978.

(2) If the casket offered is not the casket described in the policy, the beneficiary may choose to not accept the offered casket and the funeral provider shall agree to substitute a casket other than the one offered by the funeral provider. The beneficiary shall be entitled to select and purchase the substitute casket at retail without forfeiting the remaining contractual funeral services specifically enumerated in the policy.

(3) If for any other reason the beneficiary and the funeral provider agree to substitute a casket other than the one described in the policy, the beneficiary shall be entitled to select and purchase the substitute casket at retail without forfeiting the remaining contractual funeral services specifically enumerated in the policy.

C. Every funeral policy which includes among its benefits the payment for burial lot, tombstone, marker, plot, tomb, vault or coping shall state in dollars the value of the said benefits, and shall specify therein those things which shall constitute the said benefits to be furnished. Such policy shall be valued without the reduction of reserves provided for in R.S. 22:751. In the event such services are not furnished or paid for by the insurer then the amount of insurance shall be paid in cash to the beneficiary by the insurer, at the option of the beneficiary.

D. No funeral service policies as described in R.S. 22:131(1), 142, 143, 192, and 197 shall be sold after 12:00 midnight July 31, 1997.

Acts 1958, No. 125. Amended by Acts 1962, No. 329, §1; Acts 1964, No. 124, §1; Acts 1972, No. 246, §1, eff. Jan. 1, 1973; Acts 1977, No. 116, §1, eff. Jan. 1, 1978; Acts 1997, No. 949, §1; Acts 2004, No. 689, §1, eff. July 6, 2004; Redesignated from R.S. 22:253 by Acts 2008, No. 415, §1, eff. Jan. 1, 2009; Acts 2009, No. 503, §1.