

INS. Dept. Bulletin  
10 22  
October 20, 1993

## INSTRUCTIONS FOR COMPANIES USING INFORMED CONSENT FORM

Enclosed are two alternative formats for the "Informed Consent Form" to be used with all new and renewal automobile liability policies becoming effective on or after January 1, 1994. You may choose to use one of these two formats or develop your own version. If you develop your own form you must use the complete eleven paragraph text of the description of Uninsured Motorist coverage unless we give prior approval to alternate language.

The first format entitled "Informed Consent Form" combines both a "Notice To Insureds" and the required disclosure and election form concerning uninsured motorist coverage. The Notice To Insureds contains general information about No-Fault's repeal and describes the options you provide insureds concerning reparations and medical payments coverages.

The alternate - two piece format - simply provides a separate Notice To Insureds and an Informed Consent Form dealing just with uninsured motorist coverages. The combined substantive content is identical.

You must include the statutory warning relating to a selection reducing Uninsured Motorist coverage below the Bodily Injury Liability limit in at least 12 point type. You may computer produce this entire form. Space and print this form to make it legible and easy to use for the policyholder.

Those portions of the forms designed to include specific information about coverage options should be completed with care.

Under "Option(s) To Consider" is material to be included depending on the options your company wishes to offer. If you offer basic and added reparations, but not medical payments coverage, include only the "Optional Basic Or Added Reparations Benefits Coverage" material with a brief description of the salient features of the coverage. You will notice certain material is enclosed by brackets, "{ }". Insert material here depending on your company's options. For example, if you offer only BRB/ARB then the {s} in "Options(s) To Consider" would be omitted.

In the "Election Of Coverage" section you will note "with/without" within brackets. You may decide to include or not include a coverage where the insured has failed to select or reject the coverage. This does not violate our prohibition against roll-ons as long as the insured had that coverage or its equivalent in the previous policy.

You are required to show the premium associated with each coverage option presented to the insured.

In the "Election Of Coverage" section only include the option or options you will offer. You will note that our form is set up to show three variations. The first is for companies offering only BRB/ARB. The second is for companies offering only Med Pay and the third is for companies offering both BRB/ARB and Med Pay. Obviously, if your company offers neither BRB/ARB nor Med Pay you would not include this material on your form and you must delete the last sentence in the second paragraph under the caption "Repeal Of No Fault" in the "Notice To Insureds". Companies are not precluded from offering other types of optional coverage, but the roll-on restriction may apply.

The limits and premium information required to be disclosed concerning Uninsured Motorist options is driven by the bodily injury liability coverage in existence or applied for. You must show standard and conversion underinsured motorist limits and associated premiums: —

- 1) equal to twice the insured's chosen bodily injury liability limit,
- 2) equal to the insured's chosen bodily injury liability limit,
- 3) buy-down options available based upon your filed underwriting guidelines, including the company's or statutory minimum limit.

You only need to show figures for the type of coverage applied for - either split limits or combined single limits. You are required to show the actual limits, for example 100,000/300,000, and the premiums associated with those limits.

Be sure to include instructions to the insured regarding returning the signed form.

If you have any questions concerning these forms, please contact ~~George Hummelman,~~  
~~Counsel at (203) 297-3855.~~ **Property + Casualty Div.**  
**(860) 297-3867**

# INFORMED CONSENT FORM

## NOTICE TO INSUREDS

The Automobile Insurance Reform Act, Public Law 93-297 is effective January 1, 1994. It affects your coverage in several ways. You should read this notice carefully make your selections and {place return instructions here}.

### REPEAL OF NO FAULT

Beginning January 1, 1994, new or renewed policies are not required to include Basic Reparations Benefits (BRB). BRB provided up to \$5,000 for medical expenses and lost wages caused by auto accidents.

You may have other coverage provided by your employer, or by health or disability insurance. If you don't, you should consider providing for BRB type protection. Otherwise, you may bear the cost yourself. Your options to provide for such losses are shown below.

Of course, if someone else is responsible for your losses you may seek recovery from that person.

### OPTION{S} TO CONSIDER

Those who need the coverage no longer required should consider the following options. You should review your existing coverages and employee benefits to avoid duplicating benefits.

#### OPTIONAL BASIC OR ADDED REPARATIONS BENEFITS COVERAGE

You may choose to buy Basic (BRB) or Added (ARB) Reparations Benefits coverage to help cover your medical bills and lost wages from auto accidents. {Insert your own description of coverage here}

#### OPTIONAL MEDICAL PAYMENTS (MED PAY) COVERAGE

You may choose to buy Medical Payments coverage to help cover your medical bills from auto accidents. {Insert your own description of coverage here}

### UNINSURED MOTORIST COVERAGE

#### Types of coverage

Our law requires you to buy uninsured motorist (UM/UIM) coverage. Generally, this coverage only applies where the person who causes an accident is not an insured under your policy.

Anyone injured in an accident may seek to recover damages from the person causing the loss. These losses include your medical bills, lost wages (past and future), as well as payment for disabilities, pain and suffering and loss of enjoyment of life's activities.

Normally, these damages would be paid by the other person's insurance company. UM/UIM coverage protects you, your family and others in your car for injuries caused by someone who did not buy insurance.

You have the right to choose the amount of coverage. It can be as low as \$20,000 per person and \$40,000 per accident, or as high as twice your policy's bodily injury liability coverage. The amount of liability coverage you buy will govern the maximum amount of UM/UIM coverage you can buy.

This coverage also includes standard Underinsured Motorist (UIM) coverage. It protects you where injuries are caused by someone whose insurance is not enough to pay your damages and is less than your UM/UIM limits. UIM coverage will pay your damages to fill in the difference between those limits. However, the protection available under standard UIM coverage is usually reduced by amounts paid by worker's compensation, or by or on behalf of the person at fault.

Under our new law, you can convert standard UIM coverage to UNDERINSURED MOTORIST CONVERSION (UIMC) coverage. This coverage is not reduced by payments from any source. If your damages exceed the amount of the at fault person's insurance, or other payments, your UIMC coverage will be available for damages not paid.

Both standard (UIM) and conversion (UIMC) coverages only become available after the liability insurance of the at fault person has been fully paid.

### Stacking

To make a wise decision as to the amount of UM/UIM coverage to buy, you need to understand "stacking". Stacking allowed insureds to add together UM/UIM coverage under separate policies or, in multi-car policies, the insurance applicable to each car. —

Unless you agreed to non-stacked coverage, all policies in effect before January 1, 1994 provide for stacking. Policies issued or renewed beginning in 1994 will no longer provide for stacking.

With stacking, if you had two insured cars and you purchased \$100,000 of UM/UIM coverage, you received (and you paid for) \$200,000 of protection. Under the new law the purchased amount (\$100,000) would not be multiplied by the number of cars insured.

Also, your UM/UIM coverage will be limited to the highest available limit under any of the policies that apply to the accident. If you are injured in a car you own you are limited to the amount of coverage for that car.

ELECTION OF COVERAGE

POLICY NUMBER \_\_\_\_\_

BODILY INJURY LIABILITY LIMIT \_\_\_\_\_

A. OPTIONAL BRB COVERAGE

If you do not check a box in this section and sign below your policy will be issued/renewed (with/without BRB or ARB) coverage.

BRB Coverage BRB Premium  
\$5,000

OR

ARB Coverage ARB Premium  
{Limit}

SELECT ONE

- I WISH TO BUY OPTIONAL BRB COVERAGE AT THE PREMIUM SHOWN ABOVE.
- I WISH TO BUY OPTIONAL ARB COVERAGE AT THE PREMIUM SHOWN ABOVE.
- I DO NOT WISH TO BUY OPTIONAL BRB OR ARB COVERAGE.

ADDITIONAL LIMITS MAY BE AVAILABLE, CHECK WITH YOUR AGENT OR ANOTHER QUALIFIED ADVISOR.

OR if Med Pay is to be offered

A. OPTIONAL MED PAY COVERAGE

If you do not check a box in this section and sign below your policy will be issued/renewed (with/without) Med Pay coverage.

MED PAY Coverage MED PAY Premium  
{Limit}

SELECT ONE

- I WISH TO BUY OPTIONAL MED PAY COVERAGE AT THE PREMIUM SHOWN ABOVE.
- I DO NOT WISH TO BUY MED PAY COVERAGE.

OR If both BRB and Med Pay are offered

SELECT ONLY ONE FROM A. OR B. BELOW

If you check more than one box under A. or B. below your policy will be issued/renewed with the highest level of coverage selected.

If you do not check a box under A. or B. below your policy will be issued/renewed {with/without BRB or ARB}.

A. OPTIONAL BRB COVERAGE

BRB Coverage BRB Premium  
\$5,000

OR

ARB Coverage ARB Premium  
{Limit}

SELECT IF YOU WISH TO BUY OPTIONAL BRB OR ARB COVERAGE

- I WISH TO BUY OPTIONAL BRB COVERAGE AT THE PREMIUM SHOWN ABOVE.
- I WISH TO BUY OPTIONAL ARB COVERAGE AT THE PREMIUM SHOWN ABOVE.

ADDITIONAL LIMITS MAY BE AVAILABLE, CHECK WITH YOUR AGENT OR ANOTHER QUALIFIED ADVISOR.

B. OPTIONAL MED PAY COVERAGE

MED PAY Coverage MED PAY Premium  
{Limit}

SELECT IF YOU WISH TO BUY OPTIONAL MED PAY COVERAGE

DO NOT CHECK THIS BOX IF YOU HAVE CHECKED THE BOX FOR OPTIONAL BRB OR ARB COVERAGE ABOVE.

- I WISH TO BUY OPTIONAL MED PAY COVERAGE AT THE PREMIUM SHOWN ABOVE.

SELECT IF YOU DO NOT WISH TO BUY EITHER OPTIONAL BRB/ARB COVERAGE OR OPTIONAL MED PAY COVERAGE.

- I DO NOT WISH TO BUY ANY OF THE COVERAGES DESCRIBED ABOVE.

**B.I.C. UNINSURED MOTORIST (UM/UIM) COVERAGE**

If you do not check a box below your policy will be issued/renewed with standard UIM coverage (not Conversion UIMC coverage) with limits equal to your Bodily Injury Liability (BI) coverage.

If you check more than one box your policy will be issued/renewed with the highest level of coverage selected.

**SELECT ONE OPTION UNDER EITHER STANDARD UIM COVERAGE OR CONVERSION UIMC COVERAGE.**

**DO NOT CHECK MORE THAN ONE BOX BELOW.**

**UM WITH STANDARD UIM COVERAGE**

- |  | Total Coverage Premium |
|--|------------------------|
| <input type="checkbox"/> {Double BI Limit}     | <input type="text"/>   |
| <input type="checkbox"/> {BI Limit}            | <input type="text"/>   |
| * <input type="checkbox"/> {Options based upon | <input type="text"/>   |
| * <input type="checkbox"/> your filed          | <input type="text"/>   |
| * <input type="checkbox"/> underwriting        | <input type="text"/>   |
| * <input type="checkbox"/> guidelines}         | <input type="text"/>   |
| * <input type="checkbox"/> {Statutory or       | <input type="text"/>   |
| company minimum limit}                         |                        |

**NOTE:** An asterisk (\*) preceding a box indicates a reduction in coverage below your Bodily Injury Liability limit

**UM CONVERSION UIMC COVERAGE**

Do not check a Box below if you have checked a Box for one of the standard UIM coverages above

- |  | Total Coverage Premium |
|--|------------------------|
| <input type="checkbox"/> {Double BI Limit}     | <input type="text"/>   |
| <input type="checkbox"/> {BI Limit}            | <input type="text"/>   |
| * <input type="checkbox"/> {Options based upon | <input type="text"/>   |
| * <input type="checkbox"/> your filed          | <input type="text"/>   |
| * <input type="checkbox"/> underwriting        | <input type="text"/>   |
| * <input type="checkbox"/> guidelines}         | <input type="text"/>   |
| * <input type="checkbox"/> {Statutory or       | <input type="text"/>   |
| company minimum limit}                         |                        |

**NOTE:** An asterisk (\*) preceding a box indicates a reduction in coverage below your Bodily Injury Liability limit

IF YOU HAVE CHECKED ONE OF THE BOXES PRECEDED BY AN ASTERISK (\*), WHEN YOU SIGN THIS FORM, YOU ARE CHOOSING A REDUCED PREMIUM, BUT YOU ARE ALSO CHOOSING NOT TO PURCHASE CERTAIN VALUABLE COVERAGE WHICH PROTECTS YOU AND YOUR FAMILY. IF YOU ARE UNCERTAIN ABOUT HOW THIS DECISION WILL AFFECT YOU, YOU SHOULD GET ADVICE FROM YOUR INSURANCE AGENT OR ANOTHER QUALIFIED ADVISOR.

\_\_\_\_\_  
(Signature of Any Named Insured)

\_\_\_\_\_  
Date

NOTICE TO INSUREDS

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You may have other coverage provided by your employer, or by health or disability insurance. If you don't, you should consider providing for BRB type protection. Otherwise, you may bear the cost yourself. Your options to provide for such losses are shown below.

Of course, if someone else is responsible for your losses you may seek recovery from that person.

OPTION{S} TO CONSIDER

Those who need the coverage no longer required should consider the following options. You should review your existing coverages and employee benefits to avoid duplicating benefits.

OPTIONAL BASIC OR ADDED REPARATIONS BENEFITS COVERAGE

You may choose to buy Basic (BRB) or Added (ARB) Reparations Benefits coverage to help cover your medical bills and lost wages from auto accidents. {Insert your own description of coverage here}

OPTIONAL MEDICAL PAYMENTS (MED PAY) COVERAGE

You may choose to buy Medical Payments coverage to help cover your medical bills from auto accidents. {Insert your own description of coverage here}

UNINSURED MOTORIST COVERAGE

This Act also makes important changes in Uninsured Motorist coverage. Refer to the Informed Consent Form enclosed.

ELECTION OF COVERAGE

POLICY NUMBER \_\_\_\_\_

A. OPTIONAL BRB COVERAGE

If you do not check a box in this section and sign below your policy will be issued/renewed {with/without BRB or ARB} coverage.

BRB Coverage    BRB Premium  
\$5,000           

OR

ARB Coverage    ARB Premium  
{Limit}



SELECT ONE

- I WISH TO BUY OPTIONAL BRB COVERAGE AT THE PREMIUM SHOWN ABOVE.
- I WISH TO BUY OPTIONAL ARB COVERAGE AT THE PREMIUM SHOWN ABOVE.
- I DO NOT WISH TO BUY OPTIONAL BRB OR ARB COVERAGE.

ADDITIONAL LIMITS MAY BE AVAILABLE, CHECK WITH YOUR AGENT OR ANOTHER QUALIFIED ADVISOR.

OR if Med Pay is to be offered

A. OPTIONAL MED PAY COVERAGE

If you do not check a box in this section and sign below your policy will be issued/renewed {with/without} Med Pay coverage.

MED PAY Coverage MED PAY Premium  
{Limit}

SELECT ONE

- I WISH TO BUY OPTIONAL MED PAY COVERAGE AT THE PREMIUM SHOWN ABOVE.
- I DO NOT WISH TO BUY MED PAY COVERAGE.

OR If both BRB and Med Pay are offered

SELECT ONLY ONE FROM A. OR B. BELOW

If you check more than one box under A. or B. below your policy will be issued/renewed with the highest level of coverage selected.

If you do not check a box under A. or B. below your policy will be issued/renewed {with/without BRB or ARB}.

A. OPTIONAL BRB COVERAGE

BRB Coverage BRB Premium  
\$5,000

ARB Coverage ARB Premium  
{Limit}

SELECT IF YOU WISH TO BUY OPTIONAL BRB OR ARB COVERAGE

I WISH TO BUY OPTIONAL BRB COVERAGE AT THE PREMIUM SHOWN ABOVE.

I WISH TO BUY OPTIONAL ARB COVERAGE AT THE PREMIUM SHOWN ABOVE.

ADDITIONAL LIMITS MAY BE AVAILABLE, CHECK WITH YOUR AGENT OR ANOTHER QUALIFIED ADVISOR.

B. OPTIONAL MED PAY COVERAGE

MED PAY Coverage MED PAY Premium  
{Limit}

SELECT IF YOU WISH TO BUY OPTIONAL MED PAY COVERAGE

DO NOT CHECK THIS BOX IF YOU HAVE CHECKED THE BOX FOR OPTIONAL BRB OR ARB COVERAGE ABOVE.

I WISH TO BUY OPTIONAL MED PAY COVERAGE AT THE PREMIUM SHOWN ABOVE.

SELECT IF YOU DO NOT WISH TO BUY EITHER OPTIONAL BRB/ARB COVERAGE OR OPTIONAL MED PAY COVERAGE.

I DO NOT WISH TO BUY ANY OF THE COVERAGES DESCRIBED ABOVE.

\_\_\_\_\_  
(Signature of Any Named Insured)

\_\_\_\_\_  
Date

UNINSURED MOTORIST COVERAGE

Types of coverage

Our law requires you to buy uninsured motorist (UM/UM) coverage. Generally, this coverage only applies where the person who causes an accident is not an insured under your policy.

Anyone injured in an accident may seek to recover damages from the person causing the loss. These losses include your medical bills, lost wages (past and future), as well as payment for disabilities, pain and suffering and loss of enjoyment of life's activities.

Normally, these damages would be paid by the other person's insurance company. UM/UM coverage protects you, your family and others in your car for injuries caused by someone who did not buy insurance.

You have the right to choose the amount of coverage. It can be as low as \$20,000 per person and \$40,000 per accident, or as high as twice your policy's bodily injury liability coverage. The amount of liability coverage you buy will govern the maximum amount of UM/UM coverage you can buy.

This coverage also includes standard Underinsured Motorist (UIM) coverage. It protects you where injuries are caused by someone whose insurance is not enough to pay your damages and is less than your UM/UM limits. UIM coverage will pay your damages to fill in the difference between those limits. However, the protection available under standard UIM coverage is usually reduced by amounts paid by worker's compensation, or by or on behalf of the person at fault.

Under our new law, you can convert standard UIM coverage to UNDERINSURED MOTORIST CONVERSION (UIMC) coverage. This coverage is not reduced by payments from any source. If your damages exceed the amount of the at fault person's insurance, or other payments, your UIMC coverage will be available for damages not paid.

Both standard (UIM) and conversion (UIMC) coverages only become available after the liability insurance of the at fault person has been fully paid.

Stacking

To make a wise decision as to the amount of UM/UM coverage to buy, you need to understand "stacking". Stacking allowed insureds to add together UM/UM coverage under separate policies or, in multi-car policies, the insurance applicable to each car.

Unless you agreed to non-stacked coverage, all policies in effect before January 1, 1994 provide for stacking. Policies issued or renewed beginning in 1994 will no longer provide for stacking.

With stacking, if you had two insured cars and you purchased \$100,000 of UM/UM coverage you received (and you paid for) \$200,000 of protection. Under the new law the purchased amount (\$100,000) would not be multiplied by the number of cars insured.

Also, your UM/UM coverage will be limited to the highest available limit under any of the policies that apply to the accident. If you are injured in a car you own you are limited to the amount of coverage for that car.

POLICY NUMBER \_\_\_\_\_ BODILY INJURY LIABILITY LIMIT \_\_\_\_\_

UNINSURED MOTORIST (UM/UIM) COVERAGE

If you do not check a box below your policy will be issued/renewed with standard UIM coverage (not Conversion UIMC coverage) with limits equal to your Bodily Injury Liability (BI) coverage limits.

If you check more than one box your policy will be issued/renewed with the highest level of coverage selected.

SELECT ONE OPTION UNDER EITHER STANDARD UIM COVERAGE OR CONVERSION UIMC COVERAGE.

DO NOT CHECK MORE THAN ONE BOX BELOW.

UM WITH STANDARD UIM COVERAGE

	Total Coverage Premium
<input type="checkbox"/> {Double BI Limit}	<input type="text"/>
<input type="checkbox"/> {BI Limit}	<input type="text"/>
• <input type="checkbox"/> {Options based upon	<input type="text"/>
• <input type="checkbox"/> your filed underwriting	<input type="text"/>
• <input type="checkbox"/> guidelines}	<input type="text"/>
• <input type="checkbox"/> {Statutory or company minimum limit}	<input type="text"/>

NOTE: An asterisk (\*) preceding a box indicates a reduction in coverage below your Bodily Injury Liability limit

UM CONVERSION UIMC COVERAGE

Do not check a Box below if you have checked a Box for one of the standard UIM coverages above

	Total Coverage Premium
<input type="checkbox"/> {Double BI Limit}	<input type="text"/>
<input type="checkbox"/> {BI Limit}	<input type="text"/>
• <input type="checkbox"/> {Options based upon	<input type="text"/>
• <input type="checkbox"/> your filed underwriting	<input type="text"/>
• <input type="checkbox"/> guidelines}	<input type="text"/>
• <input type="checkbox"/> {Statutory or company minimum limit}	<input type="text"/>

NOTE: An asterisk (\*) preceding a box indicates a reduction in coverage below your Bodily Injury Liability limit

IF YOU HAVE CHECKED ONE OF THE BOXES PRECEDED BY AN ASTERISK (\*), WHEN YOU SIGN THIS FORM, YOU ARE CHOOSING A REDUCED PREMIUM, BUT YOU ARE ALSO CHOOSING NOT TO PURCHASE CERTAIN VALUABLE COVERAGE WHICH PROTECTS YOU AND YOUR FAMILY. IF YOU ARE UNCERTAIN ABOUT HOW THIS DECISION WILL AFFECT YOU, YOU SHOULD GET ADVICE FROM YOUR INSURANCE AGENT OR ANOTHER QUALIFIED ADVISOR.

\_\_\_\_\_  
(Signature of Any Named Insured)

\_\_\_\_\_  
Date