

BILL SUMMARY
1st Session of the 60th Legislature

Bill No.:	HB2144
Version:	INT
Request Number:	10244
Author:	Rep. Kannady
Date:	2/24/2025
Impact:	\$0

Research Analysis

HB 2144, as introduced, allows insured individuals or third-party beneficiaries to take legal action against insurers for bad faith refusal, untimely pre-authorization, or denial of claims in district courts. Insurance policies are prohibited from including clauses that grant insurers discretion over interpreting terms or determining eligibility for benefits.

A bad faith claim requires proof that the insurer was obligated to pay a valid claim but unreasonably refused, the settlement offer was unreasonably low, or the insurer's actions caused direct injury to the insured. Claimants can seek compensation for financial losses, emotional distress, loss of reputation, and other harms. A jury may award punitive damages in cases of reckless disregard, intentional malice, or life-threatening conduct by the insurer, with caps based on the severity of misconduct.

The measure does not apply to workers' compensation insurance policies.

Prepared By: Autumn Mathews

Fiscal Analysis

According to the Oklahoma Insurance Department, there is no fiscal impact on the measure; therefore, there should be no fiscal impact to the state budget.

Prepared By: Mariah Searock, House Fiscal Staff

Other Considerations

None.