



LOUISIANA DEPARTMENT OF INSURANCE
JAMES J. DONELON
COMMISSIONER

DIRECTIVE 220

**TO: ALL PROPERTY AND CASUALTY INSURERS AND SURPLUS LINES
INSURERS ISSUING HOMEOWNERS POLICIES IN LOUISIANA**

FROM: JAMES J. DONELON, COMMISSIONER OF INSURANCE

RE: ADDITIONAL LIVING EXPENSE COVERAGE

DATE: JANUARY 24, 2023

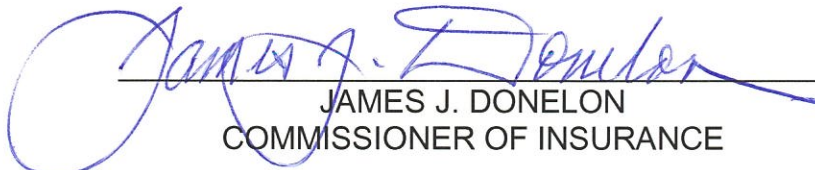
Act No. 558 of the 2022 Regular Session of the Louisiana Legislature enacted La. R.S. 22:1338 relative to additional living expense coverage for homeowner's insurance. All property and casualty insurers and surplus lines insurers (collectively insurers) issuing homeowners policies in Louisiana are hereby directed to comply with La. R.S. 22:1338 that requires an insurer, upon the request of its insured, to render an advance payment equal to the estimated value of three months of additional living expenses (ALE) to any insured who has sustained a total loss to an insured dwelling caused by a covered peril if the insured has ALE coverage. The newly enacted statute also requires that further ALE payments, after the advance period, shall be payable upon submission of satisfactory proof of loss if the actual cost of incurred ALE exceeds the amount previously advanced.

All insurers that issue homeowners policies in Louisiana are directed to amend any existing policy forms or to develop a Louisiana endorsement that incorporates the statutory provisions of La. R.S. 22:1338. Any proposed policy form filings containing language referencing La. R.S. 22:1338 by authorized insurers are subject to review and approval by the Louisiana Department of Insurance and must be submitted on or before July 1, 2023.

If there are any questions or concerns regarding Directive 220, please contact the Deputy Commissioner of the Office of Property and Casualty at (225) 342-5203 or electronically at public@ldi.la.gov.

Please be governed accordingly.

Baton Rouge, Louisiana, this 24th day of January 2023.


JAMES J. DONELON
COMMISSIONER OF INSURANCE