

304.9-376 Claims paid on behalf of insurer -- Compensation of administrator.

- (1) All claims paid by the administrator from funds collected on behalf of the insurer shall be paid only on drafts of and as authorized by such insurer.
- (2) With respect to any contracts where an administrator adjusts or settles claims, the compensation to the administrator with regard to such policies shall in no way be contingent on claim experience. This subsection shall not prevent the compensation of an administrator from being based on premiums or charges collected or number of claims paid or processed.

Effective: July 15, 1986

History: Created 1986 Ky. Acts ch. 162, sec. 9, effective July 15, 1986.