

[Your Name]
[Your Address]
[City, State, Zip Code]
[Phone Number]
[Email Address]

[Date]

[Name of Claims Adjuster/Contact Person]
[Insurance Company Name]
[Insurance Company Address]
[City, State, Zip Code]

RE: FORMAL DEMAND LETTER - NOTICE OF BAD FAITH DELAY

Claim Number: [Your Claim Number]

Policy Number: [Your Policy Number]

Date of Loss: [Date incident occurred]

Dear [Name of Claims Adjuster],

This letter serves as a formal demand regarding the unwarranted and excessive delay in the processing and settlement of the above-referenced claim. It has been [Number] days since the claim was filed and [Number] days since all requested documentation was provided to your office.

To date, [Insurance Company Name] has failed to provide a reasonable explanation for the continued delay, has failed to affirm or deny coverage within a reasonable timeframe, and has failed to issue payment for the undisputed portion of the claim. These actions constitute a breach of the insurance contract and a violation of the implied covenant of good faith and fair dealing.

Under [State Name] insurance laws and fair claims settlement practices, an insurer is required to conduct a prompt investigation and communicate timely decisions to the policyholder. The current lack of progress is unacceptable and is causing significant financial hardship.

Formal Demand:

I hereby demand that you provide a written status update and a final determination on this claim within [Number, e.g., 7 or 10] business days from the receipt of this letter. If the claim is not settled by this date, please provide a detailed, written explanation citing the specific policy provisions and factual basis for the continued delay.

Failure to resolve this matter promptly will leave me with no choice but to escalate this complaint to the [State Name] Department of Insurance and seek legal counsel to pursue all available remedies, including damages for bad faith, interest, and attorney fees.

I expect your immediate attention to this matter.

Sincerely,

[Your Signature]

[Your Printed Name]