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31A-22-305.3 Underinsured motorist coverage.

(1) As used in this section:

(a) "Covered person" has the same meaning as defined in Section 31A-22-305.

(b)

(i) "Underinsured motor vehicle" includes a motor vehicle, the operation, maintenance, or use of which is covered under a liability policy at the time of an injury-causing occurrence, but which has insufficient liability coverage to compensate fully the injured party for all special and general damages.

(ii) The term "underinsured motor vehicle" does not include:

(A) a motor vehicle that is covered under the liability coverage of the same policy that also contains the underinsured motorist coverage;

(B) an uninsured motor vehicle as defined in Subsection 31A-22-305(2); or

(C) a motor vehicle owned or leased by:

(I) a named insured;

(II) a named insured's spouse; or

(III) a dependent of a named insured.

(2)

(a) Underinsured motorist coverage under Subsection 31A-22-302(1)(c) provides coverage for a covered person who is legally entitled to recover damages from an owner or operator of an underinsured motor vehicle because of bodily injury, sickness, disease, or death.

(b) A covered person occupying or using a motor vehicle owned, leased, or furnished to the covered person, the covered person's spouse, or covered person's resident relative may recover underinsured benefits only if the motor vehicle is:

(i) described in the policy under which a claim is made; or

(ii) a newly acquired or replacement motor vehicle covered under the terms of the policy.

(3)

(a) For purposes of this Subsection (3), "new policy" means:

(i) any policy that is issued that does not include a renewal or reinstatement of an existing policy; or

(ii) a change to an existing policy that results in:

(A) a named insured being added to or deleted from the policy; or

(B) a change in the limits of the named insured's motor vehicle liability coverage.

(b) For new policies written on or after January 1, 2001, the limits of underinsured motorist coverage shall be equal to the lesser of the limits of the named insured's motor vehicle liability coverage or the maximum underinsured motorist coverage limits available by the insurer under the named insured's motor vehicle policy, unless a named insured rejects or purchases coverage in a lesser amount by signing an acknowledgment form that:

(i) is filed with the department;

(ii) is provided by the insurer;

(iii) waives the higher coverage;

(iv) need only state in this or similar language that "underinsured motorist coverage provides benefits or protection to you and other covered persons for bodily injury resulting from an accident caused by the fault of another party where the other party has insufficient liability insurance"; and

(v) discloses the additional premiums required to purchase underinsured motorist coverage with limits equal to the lesser of the limits of the named insured's motor vehicle liability coverage

or the maximum underinsured motorist coverage limits available by the insurer under the named insured's motor vehicle policy.

- (c) Any selection or rejection under Subsection (3)(b) continues for that issuer of the liability coverage until the insured requests, in writing, a change of underinsured motorist coverage from that liability insurer.
- (d)
 - (i) Subsections (3)(b) and (c) apply retroactively to any claim arising on or after January 1, 2001, for which, as of May 14, 2013, an insured has not made a written demand for arbitration or filed a complaint in a court of competent jurisdiction.
 - (ii) The Legislature finds that the retroactive application of Subsections (3)(b) and (c) clarifies legislative intent and does not enlarge, eliminate, or destroy vested rights.
- (e)
 - (i) As used in this Subsection (3)(e), "additional motor vehicle" means a change that increases the total number of vehicles insured by the policy, and does not include replacement, substitute, or temporary vehicles.
 - (ii) The adding of an additional motor vehicle to an existing personal lines or commercial lines policy does not constitute a new policy for purposes of Subsection (3)(a).
 - (iii) If an additional motor vehicle is added to a personal lines policy where underinsured motorist coverage has been rejected, or where underinsured motorist limits are lower than the named insured's motor vehicle liability limits, the insurer shall provide a notice to a named insured within 30 days that:
 - (A) in the same manner described in Subsection (3)(b)(iv), explains the purpose of underinsured motorist coverage; and
 - (B) encourages the named insured to contact the insurance company or insurance producer for quotes as to the additional premiums required to purchase underinsured motorist coverage with limits equal to the lesser of the limits of the named insured's motor vehicle liability coverage or the maximum underinsured motorist coverage limits available by the insurer under the named insured's motor vehicle policy.
- (f) A change in policy number resulting from any policy change not identified under Subsection (3)(a)(ii) does not constitute a new policy.
- (g)
 - (i) Subsection (3)(a) applies retroactively to any claim arising on or after January 1, 2001 for which, as of May 1, 2012, an insured has not made a written demand for arbitration or filed a complaint in a court of competent jurisdiction.
 - (ii) The Legislature finds that the retroactive application of Subsection (3)(a):
 - (A) does not enlarge, eliminate, or destroy vested rights; and
 - (B) clarifies legislative intent.
- (h) A self-insured, including a governmental entity, may elect to provide underinsured motorist coverage in an amount that is less than its maximum self-insured retention under Subsections (3)(b) and (l) by issuing a declaratory memorandum or policy statement from the chief financial officer or chief risk officer that declares the:
 - (i) self-insured entity's coverage level; and
 - (ii) process for filing an underinsured motorist claim.
- (i) Underinsured motorist coverage may not be sold with limits that are less than:
 - (i) \$10,000 for one person in any one accident; and
 - (ii) at least \$20,000 for two or more persons in any one accident.

(j) An acknowledgment under Subsection (3)(b) continues for that issuer of the underinsured motorist coverage until the named insured, in writing, requests different underinsured motorist coverage from the insurer.

(k)

(i) The named insured's underinsured motorist coverage, as described in Subsection (2), is secondary to the liability coverage of an owner or operator of an underinsured motor vehicle, as described in Subsection (1).

(ii) Underinsured motorist coverage may not be set off against the liability coverage of the owner or operator of an underinsured motor vehicle, but shall be added to, combined with, or stacked upon the liability coverage of the owner or operator of the underinsured motor vehicle to determine the limit of coverage available to the injured person.

(l)

(i) In conjunction with the first two renewal notices sent after January 1, 2001, for policies existing on that date, the insurer shall disclose in the same medium as the premium renewal notice, an explanation of:

(A) the purpose of underinsured motorist coverage in the same manner as described in Subsection (3)(b)(iv); and

(B) a disclosure of the additional premiums required to purchase underinsured motorist coverage with limits equal to the lesser of the limits of the named insured's motor vehicle liability coverage or the maximum underinsured motorist coverage limits available by the insurer under the named insured's motor vehicle policy.

(ii) The disclosure required under this Subsection (3)(l) shall be sent to all named insureds that carry underinsured motorist coverage limits in an amount less than the named insured's motor vehicle liability policy limits or the maximum underinsured motorist coverage limits available by the insurer under the named insured's motor vehicle policy.

(m) For purposes of this Subsection (3), a notice or disclosure sent to a named insured in a household constitutes notice or disclosure to all insureds within the household.

(4)

(a)

(i) Except as provided in this Subsection (4), a covered person injured in a motor vehicle described in a policy that includes underinsured motorist benefits may not elect to collect underinsured motorist coverage benefits from another motor vehicle insurance policy.

(ii) The limit of liability for underinsured motorist coverage for two or more motor vehicles may not be added together, combined, or stacked to determine the limit of insurance coverage available to an injured person for any one accident.

(iii) Subsection (4)(a)(ii) applies to all persons except a covered person described under Subsections (4)(b)(i) and (ii).

(b)

(i) Except as provided in Subsection (4)(b)(ii), a covered person injured while occupying, using, or maintaining a motor vehicle that is not owned, leased, or furnished to the covered person, the covered person's spouse, or the covered person's resident parent or resident sibling, may also recover benefits under any one other policy under which the covered person is also a covered person.

(ii)

(A) A covered person may recover benefits from no more than two additional policies, one additional policy from each parent's household if the covered person is:

(l) a dependent minor of parents who reside in separate households; and

- (II) injured while occupying or using a motor vehicle that is not owned, leased, or furnished to the covered person, the covered person's resident parent, or the covered person's resident sibling.
- (B) Each parent's policy under this Subsection (4)(b)(ii) is liable only for the percentage of the damages that the limit of liability of each parent's policy of underinsured motorist coverage bears to the total of both parents' underinsured coverage applicable to the accident.
- (iii) A covered person's recovery under any available policies may not exceed the full amount of damages.
- (iv) Underinsured coverage on a motor vehicle occupied at the time of an accident is primary coverage, and the coverage elected by a person described under Subsections 31A-22-305(1)(a), (b), and (c) is secondary coverage.
- (v) The primary and the secondary coverage may not be set off against the other.
- (vi) A covered person as described under Subsection (4)(b)(i) is entitled to the highest limits of underinsured motorist coverage under only one additional policy per household applicable to that covered person as a named insured, spouse, or relative.
- (vii) A covered injured person is not barred against making subsequent elections if recovery is unavailable under previous elections.
- (viii)
 - (A) As used in this section, "interpolicy stacking" means recovering benefits for a single incident of loss under more than one insurance policy.
 - (B) Except to the extent permitted by this Subsection (4), interpolicy stacking is prohibited for underinsured motorist coverage.
- (c) Underinsured motorist coverage:
 - (i) is secondary to the benefits provided by Title 34A, Chapter 2, Workers' Compensation Act;
 - (ii) may not be subrogated by a workers' compensation insurance carrier;
 - (iii) may not be reduced by benefits provided by workers' compensation insurance;
 - (iv) may be reduced by health insurance subrogation only after the covered person is made whole;
 - (v) may not be collected for bodily injury or death sustained by a person:
 - (A) while committing a violation of Section 41-1a-1314;
 - (B) who, as a passenger in a vehicle, has knowledge that the vehicle is being operated in violation of Section 41-1a-1314; or
 - (C) while committing a felony; and
 - (vi) notwithstanding Subsection (4)(c)(v), may be recovered:
 - (A) for a person under 18 years of age who is injured within the scope of Subsection (4)(c)(v), but is limited to medical and funeral expenses; or
 - (B) by a law enforcement officer as defined in Section 53-13-103, who is injured within the course and scope of the law enforcement officer's duties.
- (5) The inception of the loss under Subsection 31A-21-313(1) for underinsured motorist claims occurs upon the date of the last liability policy payment.
- (6)
 - (a) Except as provided in Subsection (6)(d), within five business days after notification that all liability insurers have tendered the liability insurers' policy limits, the underinsured carrier shall either:
 - (i) waive any subrogation claim the underinsured carrier may have against the person liable for the injuries caused in the accident; or
 - (ii) pay the insured an amount equal to the policy limits tendered by the liability carrier.

- (b) If neither option is exercised under Subsection (6)(a), the subrogation claim is considered to be waived by the underinsured carrier.
 - (c) The notification under Subsection (6)(a) shall include:
 - (i) the name, address, and phone number for all liability insurers;
 - (ii) the liability insurers' liability policy limits; and
 - (iii) the claim number associated with each liability insurer.
 - (d)
 - (i) A claimant may demand payment of policy limits from all liability insurers by sending notice to all applicable underinsured motorist insurers demanding payment.
 - (ii) The notice under Subsection (6)(d)(i) shall include the name, address, and claim number of all liability insurers from which the claimant has demanded policy limits.
 - (iii) The claimant shall send a copy of the notice to all liability insurers from which the claimant has demanded policy limits.
 - (e) Upon the liability insurer tendering limits to a claimant, the liability insurer shall provide notice of the tender to all underinsured motorist insurers for which the liability insurer received notice under Subsection (6)(d).
 - (f) If a claimant accepts the policy limits tender of each liability insurer, the liability insurer shall pay the claimant the accepted policy limits.
 - (g)
 - (i) The subrogation rights of an underinsured motorist insurer are waived, unless:
 - (A) within five days of delivery of the notice of tender from the liability insurer, the underinsured motorist insurer affirmatively asserts the underinsured motorist insurer's rights to subrogation by delivering notice to the liability insurer of the underinsured motorist insurer's rights to subrogate; and
 - (B) the underinsured motorist insurer reimburses the liability insurer for the policy limits paid to the claimant.
 - (ii) If the subrogation rights of an underinsured motorist insurer are not waived under Subsection (6)(g)(i), any liability release signed by the claimant or the claimant's representative is rescinded.
 - (iii) A claimant's underinsured motorist coverage is preserved if the claimant provides notice to the underinsured motorist insurer as described in Subsection (6)(d) .
 - (h) A person providing a notice required in this Subsection (6) shall deliver the notice by a service that provides proof of delivery.
- (7) Except as otherwise provided in this section, a covered person may seek, subject to the terms and conditions of the policy, additional coverage under any policy:
- (a) that provides coverage for damages resulting from motor vehicle accidents; and
 - (b) that is not required to conform to Section 31A-22-302.
- (8)
- (a) When a claim is brought by a named insured or a person described in Subsection 31A-22-305(1) and is asserted against the covered person's underinsured motorist carrier, the claimant may elect to resolve the claim:
 - (i) by submitting the claim to binding arbitration; or
 - (ii) through litigation.
 - (b) Unless otherwise provided in the policy under which underinsured benefits are claimed, the election provided in Subsection (8)(a) is available to the claimant only, except that if the policy under which insured benefits are claimed provides that either an insured or the insurer may elect arbitration, the insured or the insurer may elect arbitration and that election to arbitrate shall stay the litigation of the claim under Subsection (8)(a)(ii).

- (c) Once a claimant elects to commence litigation under Subsection (8)(a)(ii), the claimant may not elect to resolve the claim through binding arbitration under this section without the written consent of the underinsured motorist coverage carrier.
- (d)
 - (i) Unless otherwise agreed to in writing by the parties, a claim that is submitted to binding arbitration under Subsection (8)(a)(i) shall be resolved by a single arbitrator.
 - (ii) All parties shall agree on the single arbitrator selected under Subsection (8)(d)(i).
 - (iii) If the parties are unable to agree on a single arbitrator as required under Subsection (8)(d)(ii), the parties shall select a panel of three arbitrators.
- (e) If the parties select a panel of three arbitrators under Subsection (8)(d)(iii):
 - (i) each side shall select one arbitrator; and
 - (ii) the arbitrators appointed under Subsection (8)(e)(i) shall select one additional arbitrator to be included in the panel.
- (f) Unless otherwise agreed to in writing:
 - (i) each party shall pay an equal share of the fees and costs of the arbitrator selected under Subsection (8)(d)(i); or
 - (ii) if an arbitration panel is selected under Subsection (8)(d)(iii):
 - (A) each party shall pay the fees and costs of the arbitrator selected by that party; and
 - (B) each party shall pay an equal share of the fees and costs of the arbitrator selected under Subsection (8)(e)(ii).
- (g) Except as otherwise provided in this section or unless otherwise agreed to in writing by the parties, an arbitration proceeding conducted under this section is governed by Title 78B, Chapter 11, Utah Uniform Arbitration Act.
- (h)
 - (i) The arbitration shall be conducted in accordance with Rules 26(a)(4) through (f), 27 through 37, 54, and 68 of the Utah Rules of Civil Procedure, once the requirements of Subsections (9)(a) through (c) are satisfied.
 - (ii) The specified tier as defined by Rule 26(c)(3) of the Utah Rules of Civil Procedure shall be determined based on the claimant's specific monetary amount in the written demand for payment of uninsured motorist coverage benefits as required in Subsection (9)(a)(i)(A).
 - (iii) Rules 26.1 and 26.2 of the Utah Rules of Civil Procedure do not apply to arbitration claims under this part.
- (i) An issue of discovery shall be resolved by the arbitrator or the arbitration panel.
- (j) A written decision by a single arbitrator or by a majority of the arbitration panel constitutes a final decision.
- (k)
 - (i) Except as provided in Subsection (9), the amount of an arbitration award may not exceed the underinsured motorist policy limits of all applicable underinsured motorist policies, including applicable underinsured motorist umbrella policies.
 - (ii) If the initial arbitration award exceeds the underinsured motorist policy limits of all applicable underinsured motorist policies, the arbitration award shall be reduced to an amount equal to the combined underinsured motorist policy limits of all applicable underinsured motorist policies.
- (l) The arbitrator or arbitration panel may not decide an issue of coverage or extra-contractual damages, including:
 - (i) whether the claimant is a covered person;
 - (ii) whether the policy extends coverage to the loss; or
 - (iii) an allegation or claim asserting consequential damages or bad faith liability.

- (m) The arbitrator or arbitration panel may not conduct arbitration on a class-wide or class-representative basis.
 - (n) If the arbitrator or arbitration panel finds that the arbitration is not brought, pursued, or defended in good faith, the arbitrator or arbitration panel may award reasonable attorney fees and costs against the party that failed to bring, pursue, or defend the arbitration in good faith.
 - (o) An arbitration award issued under this section shall be the final resolution of all claims not excluded by Subsection (8)(l) between the parties unless:
 - (i) the award is procured by corruption, fraud, or other undue means;
 - (ii) either party, within 20 days after service of the arbitration award:
 - (A) files a complaint requesting a trial de novo in the district court; and
 - (B) serves the nonmoving party with a copy of the complaint requesting a trial de novo under Subsection (8)(o)(ii)(A).
 - (p)
 - (i) Upon filing a complaint for a trial de novo under Subsection (8)(o), a claim shall proceed through litigation pursuant to the Utah Rules of Civil Procedure and Utah Rules of Evidence in the district court.
 - (ii) In accordance with Rule 38, Utah Rules of Civil Procedure, either party may request a jury trial with a complaint requesting a trial de novo under Subsection (8)(o)(ii)(A).
 - (q)
 - (i) If the claimant, as the moving party in a trial de novo requested under Subsection (8)(o), does not obtain a verdict that is at least \$5,000 and is at least 20% greater than the arbitration award, the claimant is responsible for all of the nonmoving party's costs.
 - (ii) If the underinsured motorist carrier, as the moving party in a trial de novo requested under Subsection (8)(o), does not obtain a verdict that is at least 20% less than the arbitration award, the underinsured motorist carrier is responsible for all of the nonmoving party's costs.
 - (iii) Except as provided in Subsection (8)(q)(iv), the costs under this Subsection (8)(q) shall include:
 - (A) any costs set forth in Rule 54(d), Utah Rules of Civil Procedure; and
 - (B) the costs of expert witnesses and depositions.
 - (iv) An award of costs under this Subsection (8)(q) may not exceed \$2,500 unless Subsection (9)(h)(iii) applies.
 - (r) For purposes of determining whether a party's verdict is greater or less than the arbitration award under Subsection (8)(q), a court may not consider any recovery or other relief granted on a claim for damages if the claim for damages:
 - (i) was not fully disclosed in writing prior to the arbitration proceeding; or
 - (ii) was not disclosed in response to discovery contrary to the Utah Rules of Civil Procedure.
 - (s) If a district court determines, upon a motion of the nonmoving party, that a moving party's use of the trial de novo process is filed in bad faith in accordance with Section 78B-5-825, the district court may award reasonable attorney fees to the nonmoving party.
 - (t) Nothing in this section is intended to limit a claim under another portion of an applicable insurance policy.
 - (u) If there are multiple underinsured motorist policies, as set forth in Subsection (4), the claimant may elect to arbitrate in one hearing the claims against all the underinsured motorist carriers.
- (9)
- (a) Within 30 days after a covered person elects to submit a claim for underinsured motorist benefits to binding arbitration or files litigation, the covered person shall provide to the underinsured motorist carrier:

- (i) a written demand for payment of underinsured motorist coverage benefits, setting forth:
 - (A) subject to Subsection (9)(l), the specific monetary amount of the demand, including a computation of the covered person's claimed past medical expenses, claimed past lost wages, and all other claimed past economic damages; and
 - (B) the factual and legal basis and any supporting documentation for the demand;
 - (ii) a written statement under oath disclosing:
 - (A)
 - (I) the names and last known addresses of all health care providers who have rendered health care services to the covered person that are material to the claims for which the underinsured motorist benefits are sought for a period of five years preceding the date of the event giving rise to the claim for underinsured motorist benefits up to the time the election for arbitration or litigation has been exercised; and
 - (II) the names and last known addresses of the health care providers who have rendered health care services to the covered person, which the covered person claims are immaterial to the claims for which underinsured motorist benefits are sought, for a period of five years preceding the date of the event giving rise to the claim for underinsured motorist benefits up to the time the election for arbitration or litigation has been exercised that have not been disclosed under Subsection (9)(a)(ii)(A)(I);
 - (B)
 - (I) the names and last known addresses of all health insurers or other entities to whom the covered person has submitted claims for health care services or benefits material to the claims for which underinsured motorist benefits are sought, for a period of five years preceding the date of the event giving rise to the claim for underinsured motorist benefits up to the time the election for arbitration or litigation has been exercised; and
 - (II) the names and last known addresses of the health insurers or other entities to whom the covered person has submitted claims for health care services or benefits, which the covered person claims are immaterial to the claims for which underinsured motorist benefits are sought, for a period of five years preceding the date of the event giving rise to the claim for underinsured motorist benefits up to the time the election for arbitration or litigation have not been disclosed;
 - (C) if lost wages, diminished earning capacity, or similar damages are claimed, all employers of the covered person for a period of five years preceding the date of the event giving rise to the claim for underinsured motorist benefits up to the time the election for arbitration or litigation has been exercised;
 - (D) other documents to reasonably support the claims being asserted; and
 - (E) all state and federal statutory lienholders including a statement as to whether the covered person is a recipient of Medicare or Medicaid benefits or Utah Children's Health Insurance Program benefits under Title 26, Chapter 40, Utah Children's Health Insurance Act, or if the claim is subject to any other state or federal statutory liens; and
 - (iii) signed authorizations to allow the underinsured motorist carrier to only obtain records and billings from the individuals or entities disclosed under Subsections (9)(a)(ii)(A)(I), (B)(I), and (C).
- (b)
- (i) If the underinsured motorist carrier determines that the disclosure of undisclosed health care providers or health care insurers under Subsection (9)(a)(ii) is reasonably necessary, the underinsured motorist carrier may:
 - (A) make a request for the disclosure of the identity of the health care providers or health care insurers; and

- (B) make a request for authorizations to allow the underinsured motorist carrier to only obtain records and billings from the individuals or entities not disclosed.
- (ii) If the covered person does not provide the requested information within 10 days:
 - (A) the covered person shall disclose, in writing, the legal or factual basis for the failure to disclose the health care providers or health care insurers; and
 - (B) either the covered person or the underinsured motorist carrier may request the arbitrator or arbitration panel to resolve the issue of whether the identities or records are to be provided if the covered person has elected arbitration.
- (iii) The time periods imposed by Subsection (9)(c)(i) are tolled pending resolution of the dispute concerning the disclosure and production of records of the health care providers or health care insurers.
- (c)
 - (i) An underinsured motorist carrier that receives an election for arbitration or a notice of filing litigation and the demand for payment of underinsured motorist benefits under Subsection (9)(a)(i) shall have a reasonable time, not to exceed 60 days from the date of the demand and receipt of the items specified in Subsections (9)(a)(i) through (iii), to:
 - (A) provide a written response to the written demand for payment provided for in Subsection (9)(a)(i);
 - (B) except as provided in Subsection (9)(c)(i)(C), tender the amount, if any, of the underinsured motorist carrier's determination of the amount owed to the covered person; and
 - (C) if the covered person is a recipient of Medicare or Medicaid benefits or Utah Children's Health Insurance Program benefits under Title 26, Chapter 40, Utah Children's Health Insurance Act, or if the claim is subject to any other state or federal statutory liens, tender the amount, if any, of the underinsured motorist carrier's determination of the amount owed to the covered person less:
 - (I) if the amount of the state or federal statutory lien is established, the amount of the lien; or
 - (II) if the amount of the state or federal statutory lien is not established, two times the amount of the medical expenses subject to the state or federal statutory lien until such time as the amount of the state or federal statutory lien is established.
 - (ii) If the amount tendered by the underinsured motorist carrier under Subsection (9)(c)(i) is the total amount of the underinsured motorist policy limits, the tendered amount shall be accepted by the covered person.
- (d) A covered person who receives a written response from an underinsured motorist carrier as provided for in Subsection (9)(c)(i), may:
 - (i) elect to accept the amount tendered in Subsection (9)(c)(i) as payment in full of all underinsured motorist claims; or
 - (ii) elect to:
 - (A) accept the amount tendered in Subsection (9)(c)(i) as partial payment of all underinsured motorist claims; and
 - (B) continue to litigate or arbitrate the remaining claim in accordance with the election made under Subsections (8)(a), (b), and (c).
- (e) If a covered person elects to accept the amount tendered under Subsection (9)(c)(i) as partial payment of all underinsured motorist claims, the final award obtained through arbitration, litigation, or later settlement shall be reduced by any payment made by the underinsured motorist carrier under Subsection (9)(c)(i).
- (f) In an arbitration proceeding on the remaining underinsured claims:

- (i) the parties may not disclose to the arbitrator or arbitration panel the amount paid under Subsection (9)(c)(i) until after the arbitration award has been rendered; and
 - (ii) the parties may not disclose the amount of the limits of underinsured motorist benefits provided by the policy.
- (g) If the final award obtained through arbitration or litigation is greater than the average of the covered person's initial written demand for payment provided for in Subsection (9)(a)(i) and the underinsured motorist carrier's initial written response provided for in Subsection (9)(c)(i), the underinsured motorist carrier shall pay:
- (i) the final award obtained through arbitration or litigation, except that if the award exceeds the policy limits of the subject underinsured motorist policy by more than \$15,000, the amount shall be reduced to an amount equal to the policy limits plus \$15,000; and
 - (ii) any of the following applicable costs:
 - (A) any costs as set forth in Rule 54(d), Utah Rules of Civil Procedure;
 - (B) the arbitrator or arbitration panel's fee; and
 - (C) the reasonable costs of expert witnesses and depositions used in the presentation of evidence during arbitration or litigation.
- (h)
- (i) The covered person shall provide an affidavit of costs within five days of an arbitration award.
 - (ii)
 - (A) Objection to the affidavit of costs shall specify with particularity the costs to which the underinsured motorist carrier objects.
 - (B) The objection shall be resolved by the arbitrator or arbitration panel.
 - (iii) The award of costs by the arbitrator or arbitration panel under Subsection (9)(g)(ii) may not exceed \$5,000.
- (i)
- (i) A covered person shall disclose all material information, other than rebuttal evidence, within 30 days after a covered person elects to submit a claim for underinsured motorist coverage benefits to binding arbitration or files litigation as specified in Subsection (9)(a).
 - (ii) If the information under Subsection (9)(i)(i) is not disclosed, the covered person may not recover costs or any amounts in excess of the policy under Subsection (9)(g).
- (j) This Subsection (9) does not limit any other cause of action that arose or may arise against the underinsured motorist carrier from the same dispute.
- (k) The provisions of this Subsection (9) only apply to motor vehicle accidents that occur on or after March 30, 2010.
- (l)
- (i) The written demand requirement in Subsection (9)(a)(i)(A) does not affect the covered person's requirement to provide a computation of any other economic damages claimed, and the one or more respondents shall have a reasonable time after the receipt of the computation of any other economic damages claimed to conduct fact and expert discovery as to any additional damages claimed. The changes made by Laws of Utah 2014, Chapter 290, Section 11, and Chapter 300, Section 11, to this Subsection (9)(l) and Subsection (9)(a)(i)(A) apply to a claim submitted to binding arbitration or through litigation on or after May 13, 2014.
 - (ii) The changes made by Laws of Utah 2014, Chapter 290, Section 11, and Chapter 300, Section 11, under Subsections (9)(a)(ii)(A)(II) and (B)(II) apply to a claim submitted to binding arbitration or through litigation on or after May 13, 2014.