To: All Licensed Insurance Companies

From: Jessica Altman, Insurance Commissioner

Date: March 19, 2020

Re: Notice to Insurance Companies Regarding Policyholders Affected by the COVID-19 virus.

Given the spread of the COVID-19 virus, schools, businesses, and the general public have been encouraged to take mitigating efforts to limit further spread of the virus. Some of these measures have unfortunately led to the displacement of workers which may have adverse effects, including the failure to be paid their regular salary and receive reimbursement when normally due. This, in turn, may adversely affect the ability of these individuals or entities to make timely payment for monetary obligations, including payments for insurance premiums.

The Department specifically encourages the entities and individuals it regulates to assist those affected by the current situation. Insurers should consider the following actions: consistent with prudent insurance practices, relaxing due dates for premiums payments, extending grace periods, waiving late fees and penalties, and allowing payment plans for premiums payments to otherwise avoid a lapse in coverage. Insurers should consider cancellation or non-renewal of policies only after exhausting other efforts to work with policyholders to continue coverage.

This Bulletin shall apply to commercial and personal, property, casualty, accident and health and life policies.

Affected policyholders should notify their insurance carriers and agents and explain their individual situation and difficulties complying with payment schedules.

The Department believes that the considerations outlined in this notice are crucial at this time to help ease the hardships that are being felt by the citizens of this Commonwealth. The Department will continue to monitor developments and will evaluate the situation as necessary.

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Jessica Altman, Insurance Commissioner