




Douglas A. Ducey, Governor
Christina Corieri, Interim Director

REGULATORY BULLETIN 2020-04¹

To: All insurers providing any insurance coverage including life, health, motor vehicle, property, casualty, and other types of insurance for individuals, groups, and businesses

From: Christina Corieri, Interim Director 

Date: April 16, 2020

Re: **COVID-19 and Insurance Customer Relief; Flexibility**

The financial challenges visited upon individuals and businesses due to COVID-19 are undeniable. The Arizona Department of Insurance is issuing Bulletin 2020-04 to express appreciation to insurers selling and renewing insurance coverage who have been mindful of the difficulties individuals and businesses in the State are experiencing.

We encourage all insurers to work with their insureds during this time so that coverage continues, policies do not lapse, and claimants have adequate time to fulfill requirements to obtain coverage/claim payment. We urge insurers to consider offering these and other types of relief:

1. Refraining from cancelling or non-renewing policies due to non-payment during this time of hardship;
2. Granting a grace period for premium payments to be made when practicable, or extending the time before nonpayment of premium triggers an applicable grace period;
3. Working with insureds on premium payment plans for late premium payments;
4. Waiving late fees, interest, and penalties;
5. Delaying premium increases;
6. Suspending the use of credit reports for rating;
7. Refraining from cancelling auto policies due to deferred expiration of driver's license pursuant to the Governor's Executive Order 2020-08;
8. Extending timeframes for health providers to submit claims;
9. Extending timeframes for policyholders to replace or repair in order to ensure recovery of withheld depreciation; and
10. Extending timeframes to undergo medical examinations.

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Insurers are encouraged to continue working with insureds after the public health emergency has ended or as long as reasonably practicable so insureds have time to recover.

The Department is urging Arizona insurance consumers to contact their insurance companies to learn what customer relief options are being offered during the public health emergency.

Many insurers are already offering a variety of options, such as:

- Extending premium payment timeframes and offering payment plans for many types of insurance
- Waiving exclusions under personal auto policies for limited delivery of food, medicine or other essential goods
- Making short term premium relief payments for personal and business policies
- Waiving health insurance cost-share for COVID-19 treatment
- Remotely adjusting property and casualty claims and premium audits to ensure social distancing.

Insurers implementing COVID-19 related customer relief programs must make an Informational Filing in SERFF to document their programs. Customer relief programs described in the filing and implemented during the public health emergency will not be considered violations of the Unfair Trade Practices Act, including ARS 20-452 Prohibited Inducements, so long as the insurer administers its customer relief programs in a uniform, consistent manner that does not result in unfair discrimination between eligible customers. Insurers must continue to handle claims in accordance with regulatory timeframes.

Questions regarding this Bulletin may be directed to Erin H. Klug, Assistant Director, Product Filing & Compliance Division, erin.klug@difi.az.gov.