



INFORMATIONAL MEMORANDUM

OIR-20-04M

ISSUED

March 25, 2020

Florida Office of Insurance Regulation

David Altmaier, Commissioner

TO ALL INSURERS AND ENTITIES REGULATED BY THE FLORIDA OFFICE OF INSURANCE REGULATION

~ Continued Guidance for Response to COVID-19 ~

In response to the Executive Order 20-51 issued by Governor Ron DeSantis establishing COVID-19 response protocols and directing a public health emergency in Florida, and following Governor DeSantis' Executive Order 20-52 declaring a state of emergency in the state of Florida (collectively "Emergency Orders"), the Florida Office of Insurance Regulation ("OIR") is issuing this Informational Memorandum to all insurers and entities regulated by OIR ("regulated entities") to provide general guidance on the treatment of policyholders as part of the state's ongoing efforts to protect Floridians.¹

In light of the circumstances related to COVID-19, and the fact that these circumstances are beyond the control of regulated entities, OIR will not consider actions described below that provide benefits to policyholders and are applied in a nondiscriminatory manner to be violations of underwriting guidelines or the prohibitions against unfair trade practices.

Leniency on Premium Payments

As part of the state's ongoing efforts to minimize the spread of COVID-19, the Centers for Disease Control and Prevention and the State of Florida have advised individuals to adopt far-reaching social distancing measures, such as working from home and avoiding gatherings of more than 10 people. This could cause workers in many industries to be displaced for a period of time. As a result, regulated entities are encouraged, when prudently possible, to be flexible with premium payments in order to avoid a lapse in coverage. Such flexibility can include:

1. Relaxing due dates;
2. Extending grace or reinstatement periods;
3. Waiving late fees and penalties; and
4. Allowing payment plans.

Regulated entities are encouraged to only consider cancellation of policies if all possible efforts to work with consumers to continue coverage have been exhausted. Regulated entities should extensively and proactively message, to their consumers and agency partners, the avenues by

¹ This informational memorandum is in addition to, and does not replace, Informational Memoranda OIR-20-01M, OIR-20-02M, and OIR-20-03M.

which consumers and agents can communicate specific situations to regulated entities for purposes of allowing flexibility.

Removing Exclusions on Certain Personal Auto Exclusions

In furtherance of the state's efforts to limit large gatherings while remaining open, many restaurants and other businesses are offering delivery of goods and services. As a result, many insureds may be temporarily utilizing their personal automobile for purposes that might otherwise be considered commercial use. Regulated entities are encouraged to consider allowing such use for insureds, provided that such use is limited to the duration of the Emergency Orders.

Underwriting and Claims Inspections

Given the guidance issued by the State of Florida regarding social distancing, consumers may not be able or willing to receive in-person inspections of insured property for the purposes of binding or issuing new or renewal insurance policies, wind mitigation inspections, or adjusting a claim and employers may not be able or willing to receive in-person audits for audits of its business records. Therefore, regulated entities, agents, consumers, and employers are strongly encouraged to explore virtual options for underwriting and adjusting claims in lieu of in-person property inspections and for premium audits of employers' records.

General Considerations

OIR understands that as regulated entities undertake efforts to move employees into telework arrangements, and as OIR itself moves employees into telework arrangements, certain operations and functions may need to be revised temporarily. Therefore, OIR encourages the following:

1. In any case where handwritten statements are required from policyholders or customers, regulated entities are encouraged to accept electronic communications.
2. Regulated entities are encouraged to use email to initially arrange teleconferences with OIR staff, as many OIR staff will be in telework arrangements and may not be accessible via their normal OIR phone number.
3. OIR is granting a 30-day extension for any annual statements due to be filed with OIR by a regulated entity on or before May 1, 2020, for the following regulated entities:
 - a. Health maintenance organizations pursuant to section 641.26, Florida Statutes;
 - b. Insurance administrators pursuant to section 626.89, Florida Statutes;
 - c. Continuing care providers pursuant to section 651.026, Florida Statutes; and
 - d. Multiple-employer welfare arrangements pursuant to section 624.442, Florida Statutes.
4. OIR will accept electronic signatures and electronic notarizations that comply with Chapters 668 and 117, Florida Statutes, or equivalent laws in the regulated entity's

domiciliary jurisdiction, on documents regulated entities are required to file with OIR through May 1, 2020.

OIR stands ready to assist with any issues or questions to best serve Floridians and will continue its communication with insurers regarding COVID-19. If you have any questions regarding this memorandum, please contact OIR at IM2004M@flor.com.