



Bulletin No. B-5.38

Actions to Protect Consumers ~~with Property and Casualty Insurance Policies~~ During the COVID-19 Public Health Emergency in Colorado

I. Background and Purpose

The novel coronavirus (COVID-19) outbreak and emergency public health measures by state and local leaders has led to widespread business interruptions, unemployment and disruption of daily activities for consumers, including but not limited to self-quarantine and isolation to protect their and the public's health. Due to the unprecedented and extraordinary impact of the COVID-19 emergency, the Colorado Department of Public Health and Environment has issued multiple Public Health Orders including 20-20, 20-22, 20-23, 20-24 and 20-24,28 (collectively "Orders") which have limited otherwise normal business and personal interactions and activities.

II. Applicability and Scope

This bulletin is intended to provide directives and guidance to all insurers that issue and have in effect property and casualty insurance policies in the State of Colorado under Article 4 of Title 10, C.R.S. and insurance producers who collect and remit premiums in accordance with Section 10-2-704, C.R.S.

III. Definitions

1. "Defer" shall mean, for the purposes of this Bulletin, to temporarily suspend or put off an action.
2. "Grace period" shall mean a period of time after a payment becomes due before one is subject to penalties or late charges or before a policy is canceled.

III. Division Position

The Division directs all insurance companies issuing coverage to personal and commercial policyholders to continue to make reasonable accommodations to prevent individuals and businesses from losing coverage due to cancellation for the non-payment of premium during this unprecedented time.

Reasonable accommodations should include, but not be limited to:

- ~~1. Extension of premium grace periods;~~
- 2-1. Waiver of late payment fees;
- ~~3. A moratorium on cancellations for non-payment;~~



- ~~4. Defer any non-renewal underwriting actions; and,~~
- ~~5. Provide a continuation of coverage for any expiring policy.~~

2. A moratorium on cancellations for non-payment; however, if an insured has failed to pay the policy premium for a period of three consecutive months, the insurer shall offer a repayment plan. If the policyholder fails to pay the premium in accordance with the repayment agreement the insurer may cancel the policy for non-payment of premium. The cancellation shall be in accordance with Bulletin 5.4X, issued concurrent to this amended Bulletin.

Such accommodations should be available to the policyholder, and clearly explained on the insurer's website, for as long as the Orders are in effect or until the Bulletin is amended or rescinded, whichever is later.

Insurers should take steps to encourage the use of electronic payment technology on websites, apps and electronic bank transfers whenever possible.

Insurers should be aware the Division will request data from the insurers related to the Division's position, including the website address where the information is displayed, and number of accommodations made or rejected by the insurer. More information will be forthcoming about the manner and method for insurers to report this information.

IV. Additional Resources

For More Information on COVID-19, please see the CDPHE website here: <https://www.colorado.gov/pacific/cdphe/2019-novel-coronavirus>

For More Information or questions about your current coverage, please contact:

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V. History

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