



DRAFT Bulletin No. B-5.4X

Credit Insurance Scoring Restrictions Due to COVID-19

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 20-28, (collectively "Orders") which have limited otherwise normal business and personal interactions and activities.

II. Applicability and Scope

This bulletin is intended to provide guidance to all insurers that use credit information for underwriting and/or rating of property and casualty insurance policies in the State of Colorado under Article 4 of Title 10.

III. Division Position

Given the extraordinary life circumstances caused by the COVID-19 health crises, the Division is directing property and casualty insurers to not use any adverse credit information that is related to the COVID-19 emergency in determining the rate/premium of property or casualty policies of insurance.

In addition to the existing exemptions identified in Section 10-4-116, C.R.S., insurers shall exempt the following extraordinary life events related to the COVID-19 emergency from the credit-based insurance score:

- Loss of employment;
- Mortgage, landlord/tenant, lender or credit card late payments;
- Late utility payments, including water, phone, electric and gas;
- Collection activity related to late payments; and,
- Medical collection activity related specifically to health care related to the COVID-19.

Nothing in this bulletin precludes an insurer from voluntarily implementing a moratorium of the use of credit information to determine rates/premium. An insurer may choose to use an existing credit score or new credit score for renewal business only if it is the most beneficial to the policyholder.

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



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IV. History

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