



State Insurance Department Life and P&C Policy Cancellation Limitations
Concerning COVID-19 (Last update: April 23, 2020)

Rhode Island

- “Requesting” that insurers provide as much flexibility as possible to allow insureds to maintain their existing coverage by implementing and extending grace periods for premium payments, allowing payment plans for premium payments and instituting whatever other measures necessary to assist insureds in avoiding or delaying cancellation or a lapse of insurance coverage
- [Read the Bulletin](#)

Connecticut

- “Orders and Directs” among other things, that, beginning on April 1, 2020, for a period of 60 calendar days ending on June 1, 2020, no insurer may, without a court order, lapse, terminate or cause to be forfeited a covered insurance policy because a covered policyholder does not pay a premium or interest or indebtedness on a premium under the policy that is due, except as provided in the Executive Order
- [Read the Executive Order](#) and the [Guidance](#)

Massachusetts

- Insurers are “advised” to provide employers and individuals with as much flexibility as is reasonably possible during the period of the COVID-19 public health crisis to maintain their existing coverage
- [Read the Bulletin](#)

New York

RETAIL AGENTS MUST NOTIFY THEIR NY CLIENTS ABOUT THE BELOW. EXCESS AND SURPLUS LINES POLICIES AND POLICYHOLDERS ARE NOT ELIGIBLE FOR THE PAYMENT RELIEF DESCRIBED IN THE ORDER. UPDATE EFF 4/20/20: The [Property/Casualty](#)



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Emergency Regulation FAQs, released by the Department of Financial Services (DFS) on April 20, indicate that the moratorium on insurance policy cancellation, nonrenewal and late payment penalties for individual and small business insureds who can demonstrate financial hardship as a result of the COVID-19 pandemic, is applicable to all personal lines E&S policies **AND all commercial lines E&S fire policies.**

ELANY released **BULLETIN 2020-18** on April 21 which noted the change.

- Executive Order and Emergency Regulation providing, among other things, that, for a 90-day period, consumers experiencing financial hardship due to COVID-19 may defer paying life insurance premiums; no late fees will be assessed and no negative data will be reported to credit bureaus during this time, and late payments will be payable over a one-year period
- Executive Order and Emergency Regulation providing, among other things, that, for a 60-day period, consumers and small businesses experiencing financial hardship due to COVID-19 may defer paying premiums for P&C insurance, including auto, homeowners, renters, workers comp, medical malpractice, livery and taxi; no late fees will be assessed and no negative data will be reported to credit bureaus during this time, and late payments will be payable over a one-year period
- [Read the Executive Order](#), the [Emergency Regulation](#), the [Company Guidance](#) and the [Producer Guidance](#)
- See *also* [Circular Letter 7](#)

Full State Listing:

Alabama

- “Recommends” insurers consider the following actions for applicable policies in force as of March 13, 2020: (i) relaxing due dates for premium payments, (ii) extending grace periods, (iii) waiving late fees and penalties, (iv) allowing premium payment plans which will avoid a lapse in coverage, (v) expanding automobile coverage to allow personal vehicles to be covered while delivering food, medicine or other essential services for commercial purposes
- [Read the Bulletin](#)



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Alaska

- “Prohibits” the termination of insurance contracts due to non-payment until June 1, 2020
- [Read the Bulletin](#)

Arkansas

- The Department issued a 60-day moratorium on the cancellation/non-renewal of insurance policies for the non-payment of premiums for policyholders (i) diagnosed with/positively tested for COVID-19 or (ii) terminated, laid off, or who are self-employed or an independent contractor and have experienced a cessation of work, but the moratorium extension is not automatic and affected policyholders must request this extension from their insurance carriers
- Read Bulletin [6-2020](#) and [12-2020](#)
- See *also* [Bulletin 14-2020](#)

California

- “Requesting” that insurers provide their insureds with at least a 60-day grace period to pay insurance premiums so that insurance policies are not cancelled for nonpayment of premium during this challenging time due to circumstances beyond the control of the insured
- [Read the Notice](#)

Colorado

- “Directs” all P&C insurers issuing coverage to personal and commercial policyholders to make reasonable accommodations to prevent individuals and businesses from losing coverage due to cancellation for the non-payment of premium; among other things, such accommodations should be posted on the insurer’s website and there is a corresponding survey
- [Read the Bulletin](#) and [the FAQs](#)
- [Review the Survey](#)

Connecticut



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- “Orders and Directs” among other things, that, beginning on April 1, 2020, for a period of 60 calendar days ending on June 1, 2020, no insurer may, without a court order, lapse, terminate or cause to be forfeited a covered insurance policy because a covered policyholder does not pay a premium or interest or indebtedness on a premium under the policy that is due, except as provided in the Executive Order
- [Read the Executive Order](#) and the [Guidance](#)

Delaware

- Governor “orders” no insurer may, without a court order, lapse, terminate or cause to be forfeited a covered insurance policy because a covered policyholder does not pay a premium or interest or indebtedness on a premium under the policy that is due during the pendency of the declared state of emergency
- [Sixth Modification to State of Emergency](#) and the [Ninth Modification to State of Emergency](#)
- Read [Bulletin 116](#) and [Bulletin 117](#)

Florida

- “Encouraging” insurers to only consider cancellation of policies when all possible efforts to work with the insured have been exhausted
- [Read the Informational Memorandum](#)

Georgia

- “Directs” all P&C insurers (Life insurers not included) to refrain from cancelling any commercial policies, including business interruption or business income coverage, for the cause of non-payment for the next 60 days (with the possibility of this time period being extended)
- [Read the Directive](#)

Hawaii

- “Encourages” insurers of all lines to work with their insureds to ensure coverage continues during this time, policies do not lapse, and to consider the following: (i) refraining from cancelling or non-renewing



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policies due to non-payment during this time of hardship and to grant a grace period for premium payments to be made; (ii) working with insureds on a structured payment plan for late premium payments; (iii) waiving late fees and penalties; (iv) extending timeframes to complete property and automobile inspections or undergo medical examinations; and (iv) continuing to work with insureds for a period of 60 days after this health emergency has passed, or as long as reasonably practical

- [Read the Memorandum](#)

Illinois

- “Requests” that P&C insurers implement various safeguards to address problems consumers may face through circumstances beyond their control, including a moratorium on cancellations and nonrenewals
- [Read the Bulletin](#)

Indiana

- “Requests” all insurance companies in Indiana institute a moratorium on policy cancellations and non-renewals of any insurance policy in effect for a policyholder in Indiana to allow a grace period for any policyholder in Indiana for a period of 60-days any premium payment due from March 19, 2020 to May 18, 2020
- Read [the Bulletin](#) and [the Executive Order](#)

Kansas

- Commissioner cannot mandate a moratorium on policy cancellations due to non-payment of premium, but consumers are encouraged to work directly with their insurer to explore options on payment plans, extended grace periods, etc.
- [Read the FAQs](#)

Louisiana

- “Suspends” any notice of cancellation, notice of nonrenewal or nonreinstatement in force on March 12, 2020, and any such notice shall be null and void and have no force or effect until the earlier of 11:59



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p.m. on May 12, 2020, or 11:59 p.m. on the date the Governor lifts the State of Emergency presently in effect, inclusive of any renewal thereof

- [Read the Emergency Rule](#)

Maine

- Insurers “must prioritize consumers’ needs” and “must make” all reasonable accommodations for late payments and other problems that are beyond the consumer’s control.
- [Read the Bulletin](#)

Maryland

- “Encourages” insurers to make reasonable accommodations so that individuals and businesses do not lose coverage due to non-payment of premium
- [Read the Bulletin](#)

Massachusetts

- Insurers are “advised” to provide employers and individuals with as much flexibility as is reasonably possible during the period of the COVID-19 public health crisis to maintain their existing coverage
- [Read the Bulletin](#)

Mississippi

- 60-day moratorium on the cancellation/non-renewal of policies for the non-payment of premiums, effective March 24, 2020, and insurers are “directed” to work with impacted policyholders in paying the premiums that become due during the moratorium period by either allowing a payment plan or a further extension of the due date for the amount in full
- [Read the Bulletin](#), the [Clarification](#), and the [FAQs](#)

Missouri



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- Insurers are “strongly encouraged” not to cancel, nonrenew, or terminate coverage while the Bulletin is in effect, and coverage for residents of the State of Missouri should continue under all insurance policies in effect as of March 13, 2020, and shall remain in effect until such time as Executive Order 20-04 is terminated or the Bulletin is rescinded, whichever is later
- Read [the Bulletin](#) and [FAQ](#)

Montana

- “Consider” flexible payment solutions for families, individuals, and businesses; providing additional time to make payments; allowing grace periods to delay premium payments
- [Read the Letter](#)

Nebraska

- “Permits” an insurer to relax certain requirements such as notice of loss requirements, premium payment provisions, and cancellation and non-renewal timeframes – provided the insurer administers the accommodations on a consistent and fair basis
- [Read the Notice](#)

Nevada

- “Encourages” P&C insurers to consider the following relief for those affected by COVID-19: (i) providing an extended grace period before cancellation of coverage, (ii) providing flexibility with due dates for premiums, (iii) waiving late fees and penalties, (iv) providing payment plans for premiums to avoid a lapse in coverage, (v) only cancelling or non-renewing if all other efforts are exhausted
- [Read the Statement](#)

New Jersey

- “Encourages” insurers, consistent with prudent insurance practices, relaxing due dates for premium payments and insurance policy based loan payments, extending grace periods, waiving late fees and



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penalties, allowing forbearance with regard to the cancellation/non-renewal of policies, allowing payment plans for premium payments, extending timeframes to complete inspections or undergo medical exams, and exercising judicious efforts to assist effected policyholders and work with them to make sure that their insurance policies do not lapse

- [Read the Bulletin](#)

New Mexico

- “Requesting” that all insurance companies refrain from cancelling or non-renewing policies of businesses and individuals negatively impacted by the disruption due to the non-payment of premiums during this public health emergency, or at a minimum, provide extended grace periods for payment of premiums
- [Read the Bulletin](#)

New York

- Executive Order and Emergency Regulation providing, among other things, that, for a 90-day period, consumers experiencing financial hardship due to COVID-19 may defer paying life insurance premiums; no late fees will be assessed and no negative data will be reported to credit bureaus during this time, and late payments will be payable over a one-year period
- Executive Order and Emergency Regulation providing, among other things, that, for a 60-day period, consumers and small businesses experiencing financial hardship due to COVID-19 may defer paying premiums for P&C insurance, including auto, homeowners, renters, workers comp, medical malpractice, livery and taxi; no late fees will be assessed and no negative data will be reported to credit bureaus during this time, and late payments will be payable over a one-year period
- [Read the Executive Order](#), the [Emergency Regulation](#), the [Company Guidance](#) and the [Producer Guidance](#)
- *See also* [Circular Letter 7](#)

North Carolina



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- In response to the Major Disaster Declaration, Commissioner Causey activated the state of disaster automatic stay of proof of loss requirements, and premium and debt deferrals, which “requires” all insurers to provide their adversely affected customers specific relief of the insureds’ payment, submission of claims and other responsibilities; the automatic stay is presently set to expire on April 26
- Read the [Bulletin](#), the [Amended Order](#), and the [FAQs](#)
- **North Carolina extends mandatory premium deferrals**
The Department of Insurance (DOI) issued [BULLETIN Number 20-B-07](#) and an [EXTENDED ORDER](#) on April 21, indicating that the provisions of [BULLETIN Number 20-B-06](#), the initial order and the associated stay of proof of loss requirements and premium and debt deferrals will be extended 30 days from the new effective date of April 27, 2020 to May 27.

North Dakota

- “Urges” all insurers authorized to transact the business of insurance within the state of North Dakota to provide flexibility and possible relief from certain insurance requirements to those North Dakota consumers and businesses that have been impacted by COVID-19, including extensions of premium payment deadlines, grace periods, and non-renewal or cancellation
- [Read the Bulletin](#)

Ohio

- “Orders” insurers to provide their insureds with at least a 60-day grace period to pay insurance premiums so that insurance policies are not cancelled for nonpayment of premium during the state of emergency, which means insurers are to extend such time limits by at least 60 calendar days from the last day allowed under the terms of the contract, or any longer period that may be deemed reasonable under the specific circumstances related to that insured or claimant
- [Read the Bulletin](#)

Oklahoma



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- “Directs” P&C insurers to extend any applicable grace period for nonpayment of premium by 45 days (this grace period extension does not relieve an insured of the obligation to pay premiums)
- [Read the Bulletin](#)

Oregon

- Insurers “must” immediately institute a grace period for premium payments for all insurance issued in the state ending no later than April 23; insurers must suspend all cancellations and non-renewals for all active insurance policies in Oregon until April 23 and withdraw any notices of cancellation or non-renewal that have been issued for policies not yet cancelled or non-renewed
- [Read the Order](#) and the [FAQs](#)

Pennsylvania

- “Encourages” insurers to consider cancellation or non-renewal of policies only after exhausting other efforts to work with policyholders to continue coverage
- [Read the Notice](#)

Puerto Rico

- All insurance contracts or policies of any kind, whose expiration date is March 31, 2020, or later and are so requested by the insured, “will be” extended for an additional period of time of 30 days, under the same terms and conditions (including the amount of the premiums) of the current contract or policy; the renewal for 30 days will only be in effect until a new contract is executed by the parties or until said 30-day period ends, whichever occurs first
- [Read the Ruling Letter](#)

Rhode Island

- “Requesting” that insurers provide as much flexibility as possible to allow insureds to maintain their existing coverage by implementing and extending grace periods for premium payments, allowing payment plans



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for premium payments and instituting whatever other measures necessary to assist insureds in avoiding or delaying cancellation or a lapse of insurance coverage

- [Read the Bulletin](#)

South Carolina

- “Encouraging” insurers to extend premium payment deadlines, provide additional time before non-renewing or cancelling policies, extending proof of loss deadlines, and waiving fees, penalties, or other charges relating to an insured’s temporary inability to submit premium payments or otherwise respond as a result of the pandemic
- [Read the Bulletin](#)

Tennessee

- “Requesting” insurers provide employers and individuals with as much flexibility as practicable during the period of the COVID-19 public health crisis and should work with policy holders who have concerns about their ability to timely pay premiums to ensure that policy holders can maintain their existing insurance coverage
- [Read the Bulletin](#)

Texas

- “Encourages” carriers to use grace periods for payments, temporary suspension of premium payments, payment plans, and other actions to allow continuing insurance coverage as appropriate
- [Read the Bulletin](#)

Vermont

- “Requests” that all insurance companies provide their policyholders with a reasonable grace period to pay insurance premiums to avoid policies being cancelled for nonpayment of premium due to the COVID-19 public health emergency
- [Read the Guidance](#)



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Virginia

- “Strongly encourages” insurers to be flexible and to consider, consistent with prudent insurance practices, relaxing due dates for premium payments, extending grace periods, waiving late fees and penalties, and allowing payment plans for premium payments to otherwise avoid a lapse in coverage, and also consider cancellation or non-renewal of policies only after exhausting all other reasonable efforts to work with policyholders to continue coverage
- [Read the Guidance](#)

Washington

- “Orders” that, between March 25, 2020, and May 9, 2020, no property and casualty insurer shall cancel a policy issued for nonpayment of premium, unless specifically directed to do so by the insured, and shall provide grace periods for nonpayment of premium and shall waive otherwise applicable charges and fees associated with nonpayment of premium, such as late fees and reinstatement fees
- [Read the Emergency Order](#) and the [FAQs](#)

West Virginia

- Insurers “must not” issue a cancellation notice or nonrenewal notice pertaining to any insurance policy, plan or contract if the reason for cancellation or nonrenewal is a result of circumstances stemming from the COVID-19 pandemic, until further notice
- [Read the Emergency Order](#)

Wisconsin

- Insurers are “encouraged” to offer flexibility to insureds who are incurring economic hardship (which may include offering non-cancellation periods, deferred premium payments, premium holidays and acceleration or waiver of underwriting requirements)
- [Read the Bulletin](#)