



Illinois Department of Insurance

JB PRITZKER
Governor

ROBERT H. MURIEL
Director

TO: ALL COMPANIES AND OTHER ENTITIES LICENSED TO TRANSACT INSURANCE BUSINESS IN THE STATE OF ILLINOIS WHO ISSUE OR DELIVER PROPERTY AND CASUALTY (P&C) INSURANCE POLICIES

FROM: Robert H. Muriel, Director

DATE: April 3, 2020

RE: **Company Bulletin #2020-09**

Suspension of Cancellation, Non-renewal, and Premium Payment for Consumer Automobile and Home Insurance Policies and Commercial P&C Insurance Policies other than Fidelity/Surety and Ocean Marine Policies Issued in Illinois.

On March 9, 2020, Governor JB Pritzker proclaimed a statewide disaster due to the Coronavirus Disease 2019 (COVID-19) outbreak within the State of Illinois, and again on April 1, 2020 declared a statewide disaster in response to the exponential spread of COVID-19 (the “Gubernatorial Disaster Proclamations”). On March 20, 2020, the Governor issued Executive Order 2020-10 ordering Illinois residents to stay at home unless otherwise permitted under the order and that all non-essential business and operations within the State cease for the remainder of the Gubernatorial Disaster Proclamations. On April 1, 2020, the Governor issued Executive Order 2020-18 continuing and extending Executive Order 2020-10 in its entirety for the duration of the Gubernatorial Disaster Proclamations. These protective measures have resulted in a decrease in income, to varying degrees, for Illinois residents and businesses.

The office locations of the Illinois Department of Insurance are temporarily closed with staff working remotely where possible. This impacts the Department’s ability to carry out its oversight of cancellation and non-renewals for consumer automobile and home insurance policies and other P&C policies pursuant to Sections 143.11 through 143.21 of the Illinois Insurance Code (the Code) (215 ILCS 5/143.11 - 143.21) and also the conduct of hearings as allowed pursuant to the applicable appeal and hearing provisions of the Code.

The Department has determined that certain safeguards are necessary to ensure Illinois insurance consumer rights are protected and that Illinois consumers do not suffer unnecessary hardship during these trying times. The Department hereby requests insurers implement various safeguards, including those set forth herein, to address problems consumers may face through circumstances beyond their control. We hope these measures provide some peace of mind and ensure consumers do not lose important insurance coverage during this difficult time.

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The Department hereby requests that all insurers licensed or authorized to transact insurance business in this State immediately consider implementing the following protective measures. Insurers need not file policy or rating manual changes to implement these measures.

1. *Moratorium on cancellations and nonrenewals.* Insurers should seek to postpone or withdraw any previous notice of cancellation or nonrenewal in which the cancellation or nonrenewal occurs on or after March 9, 2020 on any in-force policy. Insurers should consider postponing the issuance of any new cancellation or nonrenewal notices through April 30, 2020, or a later time if considered reasonable given an individual consumer's circumstance. Insurers are asked to continue coverage, even in cases of unpaid premium, through at least April 30, 2020.
2. *Postponement of cancellation and nonrenewal hearings.* Please be advised that hearings and pretrial conferences scheduled on or after the date of this Company Bulletin may be continued to a date after April 30, 2020. The Hearing Officer will provide notice of the new hearing date to the parties.
3. *Other insurance-related time-period extensions.* Insurers are requested to consider granting an extension of any policy provisions or other requirements that impose a time limit for an insured or claimant to perform any act, including the submission of a claim or proof of loss, reporting of information, or submission of bills. The Department asks that such extension be for at least 30 days from the last date allowed or required under the contract or allowed or required by the insurer, or longer if considered reasonable given an individual consumer's circumstance.
4. *Time-period extension for repairs.* If a consumer indicates to an insured that repairs cannot be completed within the time required under any policy, or within the 90-day period for repairs before termination due to condition of the property (215 ILCS 5/143.27), the Department requests that insurers provide consumers with an extension of at least 30 days to make such repairs, or such time as is necessary, given the concerns raised with COVID-19 and issues arising therefrom.
5. *Notice Requirements.* The Department does not intend to construe extensions of coverage provided pursuant to the guidance of this Company Bulletin as converting a policy into one subject to the 60-day notice requirement set forth in Section 143.21.1 of the Code (215 ILCS 5/143.21.1).
6. *Communications to Insured.* Insurers should continue to advise Illinois consumers that they may either call the Department's toll-free complaint hotline at 1-866-445-5364 or file a complaint online at <https://mc.insurance.illinois.gov/messagecenter.nsf>, with their insurance-related issues.

It is our sincere hope that all insurers in this State will continue to assist, and provide reasonable accommodations, to Illinois consumers during this crisis.

If you have any questions or concerns regarding implementation of measures described herein, please contact Robert Rapp, FLMI via email at Robert.Rapp@illinois.gov.