



# STATE OF CONNECTICUT

## INSURANCE DEPARTMENT

August 7, 2020

**TO: ALL INSURERS, LICENSEES AND INTERESTED PARTIES**

**RE: TROPICAL STORM ISAIAS—GUIDANCE CONCERNING SUSPENSION OF PREMIUM PAYMENTS UNDER BULLETIN IC-31**

Due to the severe effects of Tropical Storm Isaias, Governor Lamont declared a state of civil preparedness emergency on August 5, 2020. As a result, Connecticut Insurance Department Bulletins IC-29 and IC-31 were activated. This release is intended to provide further guidance to insurers concerning Suspension of Premium Payments under Bulletin IC-31.

The Department has received questions concerning the scope of Bulletin IC-31 and its application in the State. This guidance is being provided by the Department taking into account that the public is being impacted by both a pandemic and Emergency Declaration. Bulletin IC-31 is intended to apply to all property and casualty lines of insurance including surplus lines carriers.

- Concerning Suspension of Premium Payments, the Department believes that insurers should extend the grace period on premium payments due that have not been electronically scheduled or in the mail system. Insurers should allow a grace period during the Emergency for the payment of premiums and not seek to cancel due to non-payment. Insurers should not require any affirmative action on the part of policyholders (such as an opt-in method) to seek an extension to pay. While some policyholders may not have been as impacted as others by the storm depending on their geographic location, the Department requests that insurers uniformly allow a grace period for all policyholders throughout the State.
- The Department is cognizant that insurers may need to modify automated systems to suspend premium payments and avoid cancellations being triggered. The Department believes suspension of premiums should be effective on the August 5, 2020 date of Governor Lamont's declaration of emergency and last at least through the end date of the Declaration. As stated in Bulletin IC-31, the Department directs insurers to attempt to give policyholders some leniency in the payment of premiums and/or to work out a reasonable payment plan.

For information on this Guidance, please contact the Connecticut Insurance Department, Property and Casualty Division at 860-297-3867 or by e-mail to [cid.pc@ct.gov](mailto:cid.pc@ct.gov).