



# State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

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**DATE:** March 20, 2020  
**TO:** All Insurers and Interested Parties  
**FROM:** Mark V. Afable, Commissioner of Insurance  
**SUBJECT:** Complying with Regulatory Requirements during the Public Health Emergency

The Office of the Commissioner of Insurance (OCI) is providing guidance to insurers regarding compliance with regulatory requirements during the COVID-19 public health emergency.

### **Policyholder Flexibility**

Insurers are encouraged to offer flexibility to insureds who are incurring economic hardship. This flexibility can include offering non-cancellation periods, deferred premium payments, premium holidays and acceleration or waiver of underwriting requirements. OCI will not view any accommodations made to insureds incurring economic hardship during the COVID-19 public health emergency as violating insurance laws such as unfair inducement prohibitions. Accommodations should not be applied in an unfairly discriminatory manner.

### **No Filings will be Deemed Approved**

OCI has several required regulatory filings that are deemed approved by OCI if the filing is not disapproved within a certain time period. For example, extraordinary dividend requests are deemed approved if OCI does not disapprove the request within 30 days in accordance with Wis. Stat. § 617.225. OCI is receiving a high number of inquiries related to the COVID-19 virus and cannot ensure that any filing will be reviewed in the time period specified by statute. Further, because OCI staff is working remotely, OCI cannot guarantee that any filing that is submitted through the mail will be received in a timely manner.

For this reason, during the pendency of the public health emergency related to COVID-19, all filings that are deemed approved if OCI does not disapprove the filing within a certain period of time are hereby disapproved. This disapproval is preliminary and OCI will continue to review the filing to determine if a final disapproval or approval is warranted. OCI will review those filings in as timely a manner as possible and will endeavor to provide a final determination within the statutory time frame.

### **Extraordinary Dividends**

For insurers who are intending to file a request for an extraordinary dividend, please conduct a review of that dividend and the insurer's capital requirements to determine if that request is appropriate in light of the expected economic impact of the COVID-19 pandemic. Extraordinary dividends that were calculated and approved prior to the COVID-19 pandemic may be rejected by OCI and returned to the company for further analysis.

### **Electronic Filings and Electronic Signatures**

Insurers are once again encouraged to file required forms electronically. In addition, OCI reminds insurers that OCI will accept electronic signatures that comply with Wis. Stat. ch. 137. OCI also encourages insurers to consider utilizing electronic signatures in their business operations.

### **On-site Examinations**

Several insurers have inquired regarding whether OCI will continue to conduct on-site examinations during the COVID-19 pandemic. OCI will fully comply with any government directives regarding public gatherings. OCI will not conduct any on-site examination work that is contrary to the spirit of any public health directive. To facilitate this, insurers should be aware that OCI may need to request more information in electronic form. OCI also acknowledges that company response times may be slower as more company employees work from home.

### **Regulatory Filing Deadlines**

As a reminder from our last bulletin, if your company believes that it will not be able to meet a filing deadline required by law or OCI order, please contact OCI to discuss alternative arrangements. If the issue involves the Market Regulation Division, please contact Rebecca Rebholz at [Rebecca.Rebholz@wisconsin.gov](mailto:Rebecca.Rebholz@wisconsin.gov). If the issue involves the Financial Division, please contact Amy Malm at [Amy.Malm@wisconsin.gov](mailto:Amy.Malm@wisconsin.gov).

Any questions concerning this bulletin may be directed to Olivia Hwang, Director of Public Affairs, at [Olivia.Hwang@wisconsin.gov](mailto:Olivia.Hwang@wisconsin.gov).