

Publications

Ohio Department of Insurance Issues Bulletin 2020-07: Property and Casualty, Life, and Long Term Care Insurance Premium Payments During State of Emergency

Related Professionals

Anthony Spina

Gregory J. Zelasko

Related Industries

Insurance

CLIENT ALERT | 3.30.2020

In response to the COVID-19 pandemic and Ohio Governor Mike DeWine's declaration of a state of emergency in Ohio (See [Executive Order 2020-01D](#)), the Ohio Superintendent of Insurance (the Superintendent) issued [Bulletin 2020-07](#) and ordered and directed, effective March 30, 2020, that all insurers (Insurers) issuing property and casualty, life, and long term care insurance policies (Policies) in the State of Ohio provide their insureds with at least a 60-day grace period to pay insurance premiums during the state of emergency. This means Insurers are required to offer payment accommodations, such as allowing consumers to defer payments at no cost, extending payment due dates, or waiving late or reinstatement fees, where consumers are unable to make timely payments of premium or fees due to COVID-19-related disruptions.

The Superintendent: (i) does not require Insurers to waive any premiums or other consideration owed on any Policies or contracts during this period of time; (ii) indicated that a failure to pay premiums or remit consideration by the end of the grace period may subject the Policies to a retroactive cancellation, in accordance with the policy terms; and (iii) stated that an Insurer is not prohibited from cancelling or non-renewing Policies for any lawful reason other than nonpayment of premium.

In addition, the Superintendent ordered Insurers to provide at least a 60-day grace period regarding any policy provision that imposes a time limit on an insured or claimant to perform any act, including the submission of information or funds, with respect to a contract for insurance. This means Insurers are required 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.

The Bulletin expires upon the expiration of the state of emergency declared by Governor DeWine on March 9, 2020.

If you have questions about the Bulletin, please contact Anthony Spina, Tom Szykowny, Gregg Zelasko or your regular Vorys attorney.

--

Vorys COVID-19 Task Force

Vorys is continuing to monitor the COVID-19 outbreak and related guidance to Insurers. In addition, Vorys attorneys and professionals are counseling our clients on a myriad of others issues related to the outbreak. We have established a comprehensive COVID-19 Task Force, which includes attorneys with deep experience in the niche disciplines that we have been and expect to continue receiving questions regarding coronavirus. Learn more and see the latest updates from the task force at vorys.com/coronavirus.