

# Arkansas Insurance Department

Asa Hutchinson  
Governor



Alan McClain  
Commissioner

May 11, 2020

**BULLETIN NO. 22-2020**

**TO: ALL ADMITTED AND SURPLUS LINES INSURANCE CARRIERS DOING BUSINESS IN THIS STATE, AND OTHER INTERESTED PARTIES**

**FROM: ARKANSAS INSURANCE DEPARTMENT**

**SUBJECT: COVID-19 EMERGENCY BULLETIN ON REGULATORY COMPLIANCE AND LICENSING**

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The Arkansas Insurance Commissioner is issuing this Bulletin to assist consumers with insurance policies affected by the outbreak of the COVID-19 virus in Arkansas, providers of health services attempting to treat and contain the outbreak, and entities regulated by the Arkansas Insurance Department as they deal with urgent needs caused by the occurrence of the virus in Arkansas.

The Arkansas Insurance Department is committed to assisting its fellow state agencies, local health departments, emergency managers, and health care providers in providing for the health and welfare of the people of Arkansas.

On May 5, 2020, Governor Asa Hutchinson issued Executive Order 20-25 declaring a statewide state of emergency for the purpose of extending the public health and disaster emergency and declaration of the State of Arkansas as a disaster area resulting from the state-wide impact of COVID-19 an additional forty-five (45) days from the issuance of EO 20-25.

The Order may impact various insurance regulatory statutes so that the Department may effectively render maximum assistance to overcome any potential impediment to the rapid and orderly rendering of assistance to our citizens affected by the virus.

## **CONSUMER COMPLAINT EMAIL ADDRESS ON-FILE WITH DEPARTMENT**

As a result of the COVID-19 pandemic, the Commissioner recognizes that insurers and other regulated entities may have a limited or otherwise adversely impacted workforce available to them and that their consumer service departments may not be able to answer or take questions at the contact number or email provided in the consumer's policy.

In order to assist Arkansas consumers who may call the Department with issues, complaints, or questions regarding their policies should they not be able to contact their insurer through normal means, the Commissioner **directs all insurers and other regulated entities to provide it with the appropriate email address the company has designated to field consumer contacts during this health emergency.**

Carriers should forward their consumer contact email address to [insurance.consumers@arkansas.gov](mailto:insurance.consumers@arkansas.gov) as soon as possible.

## **RULE 43 CLAIMS SETTLEMENT COMPLIANCE**

Insurers and other regulated entities must assess and review their plans of preparedness and plans for continuity of operations to manage the risk of disruption to their operations arising from COVID-19 and actively seek to mitigate the risk of harm to policyholders and claimants.

The Commissioner recognizes that insurers and other regulated entities may have a limited or otherwise adversely impacted workforce available as a result of the pandemic or may further request or require that their employees limit their direct or personal contact with others, including vendors, third-party contractors, claimants or policyholders.

The Commissioner further recognizes that these workforce limitations and personal contact restrictions may cause disruption to an insurer's or other regulated entity's normal claims handling operations and procedures.

**The Commissioner advises all insurers and other regulated industries that they must continue to adjust claims as expeditiously as possible during this emergency in compliance with the provisions of AID Rule 43, and utilize all possible methods of adjusting claims remotely, such as telephone, email, facsimile, mobile applications, satellite imagery or 3D mapping, all the while striving to meet normal time frames for the adjustment and resolution of claims whenever possible.**

Any questions regarding this section should be directed to [insurance.consumers@arkansas.gov](mailto:insurance.consumers@arkansas.gov) at the Arkansas Insurance Department or by phone at 501-371-2600.

## **REGULATORY FILING DEADLINES**

At this time, companies are still required to make all mandated electronic filings with the NAIC (e.g., quarterly financial statements, audited financial statements), as well as those that are not filed with the NAIC but filed with the Department.

The Commissioner recognizes that companies may need an extension of time to make required filings.

If your company believes that it will not be able to meet a filing deadline required by law or order, please contact the Finance Division via email at: [insurance.finance@arkansas.gov](mailto:insurance.finance@arkansas.gov) to submit a **request for extension of the filing deadline.**

## **ELECTRONIC FILINGS AND SIGNATURES**

Generally, the Department instructs companies to file certain documents in hard copy form with original signature and notary requirements.

However, if an insurance company is unable to make hard copy filings at this time, **the Department will accept electronic filings with electronic signatures.**

Companies are expected to keep a list of all filings made electronically in lieu of hard copy filings, in order to file all hard copies with the AID within 60 days after the state has allowed a universal return to work.

Any electronic filings should be emailed to: [insurance.finance@arkansas.gov](mailto:insurance.finance@arkansas.gov).

## **ON-SITE EXAMINATIONS BY DEPARTMENT STAFF**

The Arkansas Insurance Department intends to fully comply with any government directives regarding public gatherings. As such, the Department will **not conduct on-site examination work** that is contrary to the spirit of any public health directive.

To facilitate this, the Department may need to request more information in electronic form.

AID expects independent auditors may take a similar position; thus, an extension may be requested for the audited financial statement filing. The Department acknowledges that company response times may be slower as company employees work from home.

Any questions regarding this section should be directed to [insurance.finance@arkansas.gov](mailto:insurance.finance@arkansas.gov) at the Arkansas Insurance Department or by phone at 501-371-2600.

## **LICENSE RENEWALS**

The Arkansas Insurance Department is aware of the widespread business and employee disruptions caused by the outbreak of the COVID-19 virus.

To assist agencies and producers affected by these disruptions the Department is **temporarily halting converting any individual producer's license status from active to inactive for failure to submit their producer renewal application or renewal fees** as required by Ark. Code Ann. § 23-64-507 and Arkansas Insurance Department Rule 57.

To avoid further disruptions, the final renewal date for individual producers has been extended and individual producer licenses shall not be converted to inactive status for the 45-day period beginning with the date Executive Order 20-25 was issued.

All producer licensees may continue to operate as normal.

Appointments should remain in effect consistent with Ark. Code Ann. § 23-64-219(b).

Any questions regarding this section should be directed to [insurance.license@arkansas.gov](mailto:insurance.license@arkansas.gov) at the Arkansas Insurance Department or by phone at 501-371-2600.

## **FAILURE TO RENEW BEFORE EXTENDED EXPIRATION DATE**

If a producer fails to renew their license on or before the expiration of the Executive Order 20-25, then the **license will expire as of that date**.

Upon expiration, individual producers will be assessed fees and penalties in order to lift the expiration pursuant to Ark. Code Ann. §§ 23-64-507(c), 23-61-401 and Arkansas Insurance Department Rule 57.

Any questions regarding this section should be directed to [insurance.license@arkansas.gov](mailto:insurance.license@arkansas.gov) at the Arkansas Insurance Department or by phone at 501-371-2600.

## CONTINUING EDUCATION

Any continuing education hours required to be completed by an individual producer's renewal date pursuant to Arkansas Insurance Department Rule 50 **shall not be due until July 1, 2020**.

Any questions regarding this section should be directed to [insurance.license@arkansas.gov](mailto:insurance.license@arkansas.gov) at the Arkansas Insurance Department or by phone at 501-371-2600.

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STATE OF ARKANSAS

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DATE