



January 8, 2021

CIRCULAR LETTER NO. 2379

To All Members and Subscribers of the WCRIBMA:

UPDATED GUIDANCE IN RESPONSE TO THE CORONAVIRUS PANDEMIC

The Massachusetts Division of Insurance has released Bulletin 2020-30 to remind insurance carriers, regardless of the line of coverage, and self-insurance groups about the Division's prior guidance in Bulletin 2020-05 and WCRIBMA's Circular Letter No. 2361 that expresses the expectations for insurance carriers to take steps to help address concerns about maintaining coverage and preserving the Massachusetts insurance market during the COVID-19 public health crisis.

The Division of Insurance has also released Bulletin 2020-33 to provide information to insurance carriers offering liquor liability or worker's compensation insurance about the expectations regarding the insurance-related provisions of COVID-19 Order No. 53, issued by Governor Baker on November 2, 2020.

These two Bulletins are attached to this Circular Letter.

Please contact Dan Crowley (617-646-7594 or dcrowley@wcribma.org) if you have any questions.

Attachment

DANIEL M. CROWLEY, CPCU
Vice President – Customer Services



COMMONWEALTH OF MASSACHUSETTS

Office of Consumer Affairs and Business Regulation

DIVISION OF INSURANCE

1000 Washington Street, Suite 810 • Boston, MA 02118-6200
(617) 521-7794 • Toll-free (877) 563-4467
<http://www.mass.gov/doi>

CHARLES D. BAKER
GOVERNOR

KARYN E. POLITO
LIEUTENANT GOVERNOR

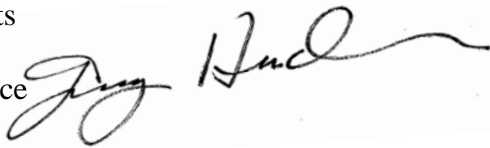
MIKE KENNEALY
SECRETARY OF HOUSING AND
ECONOMIC DEVELOPMENT

EDWARD A. PALLESCHI
UNDERSECRETARY OF CONSUMER AFFAIRS
AND BUSINESS REGULATION

GARY D. ANDERSON
COMMISSIONER OF INSURANCE

BULLETIN 2020-30

To: All Insurance Carriers Issuing Insured Coverage in Massachusetts and Self-Insurance Groups Covering Employers in Massachusetts

From: Gary D. Anderson, Commissioner of Insurance 

Date: December 29, 2020

Re: Continued Flexibility in the Issuance and Administration of Insurance during the COVID-19 (Coronavirus) Public Health Crisis

The Division of Insurance (“Division”) issues this Bulletin 2020-30 to remind Insurance Carriers (“Carriers”), regardless of the line of coverage, and self-insurance groups about the Division’s prior guidance in Bulletin 2020-05 that expresses the Division’s expectations for Carriers to take steps to help address concerns about maintaining coverage and preserving the Massachusetts insurance market during the COVID-19 public health crisis. We all continue to struggle to address the societal and economic impacts of this situation, and we need Carriers to continue to search for flexibility to maintain coverage.

Background

As stated in earlier Bulletins, the public health and societal effects resulting from the spread of COVID-19 has dramatically impacted the Commonwealth. It continues to be essential that government and business leaders take all appropriate steps to safeguard the well-being of the Commonwealth’s citizens. Insurance coverage plays a critical role in the stability of the Commonwealth’s economy and the protection of its residents. COVID-19 has imposed unique risks to our insurance market. Since Governor Baker declared a state of emergency within the Commonwealth in March 2020, the Division has expected Carriers to take all reasonably necessary steps to preserve policyholder access to insurance coverage.

Continued Flexibility

During this period, the Division believes that Carriers should continue to be flexible in collecting premiums and find ways to further address what the Division believes could be long-term disruptions in the business environment. All Carriers (whether issuing property and casualty, life and annuity, or health products) are advised, in accordance with the details laid out in Bulletin 2020-05, to provide policyholders with as much flexibility to maintain their existing coverage as is reasonably possible during the period of the COVID-19 public health crisis. The Division also would not consider it appropriate for a Carrier to impose any new or additional fee in exchange for granting this flexibility. Exploring all appropriate flexibility in arrangements and timing of payments will help protect policyholders while preserving the solvency of the Massachusetts insurance market.

In addition to continuing the flexibilities outlined in Bulletin 2020-05, the Division expects Carriers to maintain customer support services to provide consumers information about their insurance options, such as exploring ways to modify coverage to reduce premiums. Anticipating that some of their policyholders will experience financial hardships related to the COVID-19 public health crisis and have difficulty meeting their premium payment obligations, Carriers should proactively provide policyholders with information about how to contact the Carrier to investigate options that may be available to prevent a loss of coverage.

The Division will continue to monitor the financial impact of the pandemic on Carriers and ensure compliance with the applicable statutory and regulatory standards related to rates and consumer protections.

If you have any questions about this Bulletin, please contact Kevin Beagan, Deputy Commissioner for the Health Care Access Bureau, at (617) 521-7323.



COMMONWEALTH OF MASSACHUSETTS

Office of Consumer Affairs and Business Regulation

DIVISION OF INSURANCE

1000 Washington Street, Suite 810 • Boston, MA 02118-6200
(617) 521-7794 • Toll-free (877) 563-4467
<http://www.mass.gov/doi>

CHARLES D. BAKER
GOVERNOR

KARYN E. POLITO
LIEUTENANT GOVERNOR

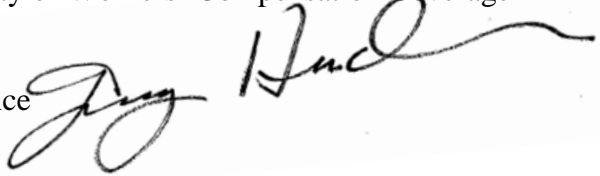
MIKE KENNEALY
SECRETARY OF HOUSING AND
ECONOMIC DEVELOPMENT

EDWARD A. PALLESCHI
UNDERSECRETARY OF CONSUMER AFFAIRS
AND BUSINESS REGULATION

GARY D. ANDERSON
COMMISSIONER OF INSURANCE

BULLETIN 2020-33

To: All Insurance Carriers Issuing Liquor Liability or Workers' Compensation Coverage in Massachusetts

From: Gary D. Anderson, Commissioner of Insurance 

Date: December 29, 2020

Re: Flexibility in the Issuance and Administration of Liquor Liability and Workers' Compensation Insurance during the COVID-19 Public Health Crisis

The Division of Insurance ("Division") issues this Bulletin 2020-33 to provide information to Insurance Carriers ("Carriers") offering liquor liability or workers' compensation insurance about the Division's expectations regarding the insurance-related provisions of COVID-19 Order No. 53, issued by Governor Baker on November 2, 2020.

Background

As stated in earlier Bulletins, the public health and societal effects resulting from the spread of COVID-19 has dramatically impacted the Commonwealth. It continues to be essential that government and business leaders take all appropriate steps to safeguard the well-being of the Commonwealth's citizens. Insurance coverage plays a critical role in the stability of the Commonwealth's economy and the protection of its residents. COVID-19 imposes unique risks to our insurance market. Since Governor Baker declared a state of emergency within the Commonwealth in March 2020, the Division has expected Carriers to take all necessary steps to preserve individual and employer access to insurance coverage.

Issuance and Administration of Insurance for Certain Establishments

As a part of the COVID-19 response, in an effort to protect the health and safety of individuals in the Commonwealth and to limit the spread of the disease, restrictions have been placed on the operations of establishments holding licenses under M.G.L. c. 138, §12 for the service and sale of alcohol ("Liquor Licensees"). Many of these Liquor Licensees have elected to remain closed to the

public during the state of emergency. Governor Baker's "Order Requiring Early Closing for Certain Businesses and Activities, Limiting Hours for Alcohol and Adult Use Cannabis Sales, and Modifying Chapter 138 License Renewal Requirements (COVID-19 Order No. 53)" provides certain allowances for Liquor Licensees in the Commonwealth that remain closed to the public during the state of emergency. Within COVID-19 Order No. 53, it is noted that for those Liquor Licensees that have remained closed, they will not be required to submit proof of having liquor liability coverage nor of workers' compensation coverage as a condition to renew their license under M.G.L. c. 138, §12. However, whenever the Liquor Licensees decide to re-open, they will be required to submit appropriate proof to the appropriate licensing authority of both a liquor liability and workers' compensation policy.

It is further noted in COVID-19 Order No. 53 that "no insurer, broker, agent, or their representative shall impose or collect any surcharge penalty, fee or other charge in addition to the premium" for any liquor liability or workers' compensation coverage obtained pursuant to the allowances outlined in COVID-19 Order No. 53. Agent commissions applied as part of the usual and reasonable course of business constitute a component of the premium and thus do not fall within the category of fees or other charges that are impermissible under COVID-19 Order No. 53. Any violations of COVID-19 Order No. 53 will be subject to review by the Division's Special Investigations Unit.

If you have any questions about this Bulletin, please contact Matthew Mancini, Director of the State Rating Bureau at matthew.mancini@mass.gov, or Kevin Beagan, Deputy Commissioner, at kevin.beagan@mass.gov.