

TDI COVID-19 Related Actions- April 22, 2020

Deadline Extensions

- Extension of claim-handling deadlines imposed by the state's prompt payment laws for an additional 15 days to help carriers respond to the COVID-19 outbreak. This extension will be in effect until the Governor's suspension and Commissioner's declaration are lifted.
- Annual reports required by Insurance Code, Sec. 651.102 that are typically due on or before April 1st - **deadline extended 45 days**
- Annual Enterprise Risk Reports (Form F) required by Insurance Code, Sec. 823.059 - **deadline extended 45 days for April 30th filers**
- Annual Registration Statement summary of material change required by Insurance Code, Sec. 823.055(b)- **deadline extended for 45 days for April 30th filers**
- Appeal of examination reports first level appeal required by TAC Sec.7.83(f)(1) - **deadline extended an additional 14 days**
- TDI has **changed the effective date** of the new TWIA building code requirements **from April 1st to September 1, 2020**. Construction started before September 1st can use either the old or new code to be eligible for TWIA funding.
- TDI is still developing rules for implementation of HB 3306, passed by the 86th Legislature, requiring annual disclosure of an insurer or insurance group's corporate governance structure, policies, and practices. **They will not require insurers or HMOs to file a disclosure this year.**
- The Commissioner issued an order **moving the effective date for FAIR Plan's rate changes from May 1, 2020 to August 1, 2020.**
- Actuarial guidelines under 28 TAC Section 7.18(a)4):
 - relating to actuarial memorandum required by actuarial guideline XXXVIII 8D due April 30 is **extended 60 days**
 - relating to reasonableness of assumptions certification for the enhanced discounted intrinsic method required by actuarial guideline XXXV quarter ending March 31, 2020, due no later than April 30 is **extended 30 days**
 - relating to reasonableness and consistency of assumptions certification required by actuarial guideline XXXV quarter ending March 31, 2020, due April 30 is **extended 30 days**
 - relating to reasonableness of assumptions certification for implied guaranteed rate method required by actuarial guideline XXXVI quarter ending March 31, 2020, due April 30 is **extended 30 days**
 - relating to reasonableness and consistency of assumptions certification required by actuarial guideline XXXVI (updated average market value) quarter ending March 31, 2020, due April 30 is **extended 30 days**
 - relating to reasonableness and consistency of assumptions certification required by actuarial guideline XXXVI (updated market value) quarter ending March 31, 2020, due April 30 is **extended 30 days**



- Quarterly statement filings as of March 31, 2020 due May 15th required by 20 TAC Section 7.68(f)(2)- **deadline extended 30 days**
- The following under 28 TAC Section 7.68(f)(3) **are extended 30 days:**
 - relating to annual and quarterly supplements, including, but not limited to, Management's Discussion and Analysis, due on or before April 1
 - relating to trustee surplus statement as of March 31, 2020, due May 15
 - relating to supplement A to schedule T (medical professional liability trust) as of March 31, 2020, due May 15
 - relating to Medicare part D coverage supplement as of March 31, 2020, due May 15
 - relating to combined insurance expense exhibit due May 1
 - relating to director and officer insurance coverage supplement as of March 31, 2020
- Combined property/casualty annual statement required by 28 TAC Section 7.68(j)(1)- **extended for 30 days for May 1st filers**
- Audited financial reports under 28 TAC Section 7.88(d)(1)- **extended for 60 days for June 1st filers**
- Audited financial report for insurers licensed in Texas and doing business only in Texas under 28 TAC Section 7.88(d)(2)- **extended 60 days for June 30th filers**
- Accountants letter of qualification required by 28 TAC Section 7.88(i) - **extended 30 days for June 1st filers and 30 days for June 30th filers**
- Communication of internal control matters under 28 TAC Section 7.88(j) noted in audit due not later than the 60th day the audited financial report is filed- **extended 60 days**

Licenses

- **Licenses Expired on or Before February 29, 2020-** The renewal period is extended to May 31, 2020
- **Licenses Expired Between March 31, 2020 and April 30, 2020-** Late fees and continuing education fines will be waived if the license is renewed by May 31, 2020
- All current temporary licenses and new temporary license issued will remain active until further notice. The additional fee for a temporary license is waived until further notice.
- In-classroom training requirement for temporary agent licensees is waived. Instead applicants may take approved webinar courses listed as "classroom equivalent."
- Fingerprint requirement for a temporary license is delayed until further notice.
- Requirement, that during any two consecutive quarters, at least 70% of an organization's applicants for temporary licenses take the required licensing examination is waived.
- TDI has issued a notice that testing for Texas agent and adjuster licenses is now available at select sites across the state. TDI has authorized Pearson VUE to resume testing at sites where social distancing and safeguards are in place to reduce risk. Those who pass the exam and still need fingerprints can apply for a temporary license. Once TDI has approved the fingerprints the license will be changed to a regular one. To find a test center, login to your [Pearson VUE account](#).

Grace Periods



- TDI has noted that they expect all carriers to work with policyholders who may experience financial hardships due to the COVID-19 outbreak. TDI encourages carriers to use grace periods for payments, temporary suspension of premium payments (noting that the term "suspension" is not intended to mean the forgiveness of the premium), payment plans, and other actions to allow continuing insurance coverage as appropriate. They have said they will work with carriers to minimize the regulatory effects of an insurer's actions to provide policyholder relief, specifically for financial review requirements.

Expedited Filings

- TDI is expediting approvals for property and casualty filings that provide additional coverage or relief to policyholders during the COVID-19 outbreak. Recent filings related to COVID-19 include:
 - Some auto insurers filed to removed delivery exclusions from policies in response to policyholders using their vehicles to deliver food, medicine, and other goods. TDI approved the first delivery exclusion filing the same day it was received.
 - A commercial auto insurance company filed a temporary rate decrease for certain policies, anticipating less driving and reduced loss exposure.