

**DFS TAKES NEW ACTION FOR
CONSUMERS AND SMALL BUSINESSES
FACING FINANCIAL HARDSHIP
DURING COVID-19
ADOPTS EMERGENCY REGULATION
MANDATING DEFERRALS OF
PREMIUM PAY DFS TAKES NEW
ACTION FOR CONSUMERS AND
SMALL BUSINESSES FACING
FINANCIAL HARDSHIP DURING
COVID-19
ADOPTS EMERGENCY
REGULATION MANDATING
DEFERRALS OF PREMIUM
PAYMENTS FOR LIFE AND
PROPERTY AND CASUALTY
INSURANCE**

*Consumers Experiencing Financial Hardship
Due to COVID-19 May Defer Paying Life
Insurance Premiums for 90 Days*

***Consumers and Small Businesses
Experiencing Financial Hardship Due to
COVID-19 May Defer Paying Premiums for
Property and Casualty Insurance for 60 Days
Premium Finance Agencies Required to
Provide Same Relief as Insurers
New Yorkers Without Health Insurance
Should Apply Now for Coverage Through NY
State of Health or May Enroll for Medicaid,
the Essential Plan or Child Health Plus***

The New York State Department of Financial Services (DFS) today adopted an emergency regulation requiring New York State regulated issuers of life insurance and annuity contracts, property and casualty insurers and premium finance agencies to provide relief to New York consumers and businesses experiencing financial hardship due to COVID-19. Consumers experiencing financial hardship due to COVID-19 may defer paying life insurance premiums for ninety (90) days. Consumers and small businesses experiencing financial hardship due to COVID-19 may defer paying premiums for property and casualty insurance for sixty (60) days. Premium finance agencies are required to provide the same relief as insurers. This follows Governor Andrew M. Cuomo's [Executive Order No. 202.13](#).

“Government and industry must continue to work together to help those who are suffering financially due to the COVID-19 pandemic,” said **Superintendent Linda A. Lacewell**. “Under Governor Cuomo’s leadership, we are taking action to give New Yorkers experiencing financial hardship during this difficult period extra time to pay their insurance premiums and make other policy-related decisions.”

In addition, DFS announced that uninsured New Yorkers can obtain health insurance through New York State’s Health Plan Marketplace under a special enrollment period from April 1st - April 15th.

Life Insurance and Annuity Contracts

The 134 members of the Life Insurance Council of New York (LICONY), which represent over 80% of the life insurance industry in New York, agreed to extend to 90 days the grace period for the payment of premiums and fees, and for the exercise of policyholder or certificate holder rights, under life insurance

policies and annuity contracts in cases of financial hardship due to the COVID-19 pandemic. The emergency regulation adopted by DFS ensures a level playing field by directing all regulated issuers of life insurance and annuity contracts in the state to give the same relief.

“The members of LICONY are deeply concerned about the impact of the current economic conditions on their customers,” **said LICONY President and CEO Mary A. Griffin.** “Our members are proud of our partnership with Governor Cuomo and Superintendent Laceywell during these challenging times and we stand ready to assist our customers by providing a 90-day grace period for premium payments to anyone encountering financial hardship as a result of COVID-19.”

The Superintendent applauded LICONY for its understanding and partnership.

DFS requires life insurance and annuity contract issuers to provide the following relief to policyholder or certificate holder (consumer) who can demonstrate financial hardship due to COVID-19:

- Extend to 90 days the grace period for the payment of premiums and fees to ensure that the policyholder’s or certificate holder’s life insurance policy or certificate does not lapse for non-payment during the 90-day period;
- Waive late payment fees otherwise due, and not report late payments to credit rating agencies, during the 90-day period;
- Allow premiums due but not paid during the 90-day period to be paid over the course of the following year in 12 equal monthly installments; and
- Extend to 90 days the period to exercise policyholder and contract holder rights and benefits under life insurance and annuity contracts.

Property and Casualty Insurance

Today’s emergency regulation also directs property and casualty insurers to provide flexibility to consumers experiencing financial hardship caused by the pandemic by extending to 60 days the grace period for the payment of premiums and fees under auto, homeowners and renters insurance policies, among others. The same relief will be available for businesses with 100 employees or less, independently owned and operated and resident in New York, under auto, homeowners, renters, workers’ compensation, medical malpractice, livery and taxi, and certain other lines of commercial insurance.

DFS requires property and casualty insurers to provide the following relief to consumers and small businesses who can demonstrate financial hardship due to COVID-19:

- Provide a 60-day grace period for the cancellation, conditional renewal or non-renewal of a policyholder’s insurance policy;

- Allow premiums due but not paid during the 60-day period to be paid over the course of the following year in 12 equal monthly installments; and
- Waive any late payment fees, and not report late payments to credit rating agencies, during the 60-day period.

Premium Finance Agencies

The emergency regulation also requires premium finance agencies to provide the same relief to those consumers and businesses who have financed the payments of their premiums, subject to safety and soundness considerations of the premium finance agencies.

DFS requires premium finance agencies to provide the following relief to consumers and businesses who can demonstrate financial hardship due to COVID-19:

- Provide a 90-day grace period (for life insurance policies) and a 60-day grace period (for property and casualty policies) for the payment of installment payments under the premium financing agreement;
- Allow installment payments due but not paid during the applicable grace period to be paid over the course of the following year in 12 equal monthly installments; and
- Waive any late payment fees, and not report late payments to credit rating agencies, during the applicable grace period.

Health Insurance Special Enrollment Period

DFS also announced that uninsured individuals will be able to obtain health insurance coverage through the NY State of Health, New York's Health Plan Marketplace, under a special enrollment period from April 1st - April 15th. To date, 2,244 New Yorkers have already applied.

New Yorkers who have lost their jobs due to the pandemic may enroll in the marketplace at any time within 60 days from their loss of coverage, or may be eligible to enroll in other NY State of Health programs – Medicaid, low-premium Essential Plan and Child Health Plus. New Yorkers can apply for coverage through NY State of Health online at nystateofhealth.ny.gov, by phone at 855-355-5777, or with the help of [enrollment assistors](#).

The emergency amendments can be found at Section 405.6 of Title 3; and Sections 185.7(m)(4) and 187.6(f)(4) and Part 229 of Title 11 of the Official Compilation of Codes, Rules and Regulations of the State of New York. [Read a copy of the emergency regulation.](#)

For additional DFS regulatory actions on the COVID-19 pandemic, visit www.dfs.ny.gov/industry/coronavirus.

MENTS FOR LIFE AND PROPERTY AND CASUALTY INSURANCE

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