March 10, 2020

TO: All authorized Property/Casualty Insurers

RE: CALL FOR SPECIAL REPORT PURSUANT TO SECTION 308, NEW YORK INSURANCE LAW: TRAVEL INSURANCE DIRECT PREMIUMS WRITTEN IN NEW YORK

Pursuant to Section 308 of the New York Insurance Law, the Department of Financial Services (“DFS”) hereby instructs each authorized property/casualty insurer (collectively, “Insurers”) to provide certain information regarding the volume of travel insurance it has written in New York and details on the coverage provided in the types of policies for which it has ongoing exposure.

By way of background, in connection with the outbreak of the novel Coronavirus (“COVID-19”), consumers have urgent questions about coverage provided by travel insurance policies they either hold or may seek to purchase. There may be differences in how policies treat epidemic or pandemic exclusions or foreseeable events, and coverage implicated by COVID-19 may change depending on how the situation evolves. Given the potential impact of COVID-19 in travel insurance, DFS considers Insurers’ obligations to consumers a heightened priority. In the interest of consumer protection, Insurers must explain to policyholders the benefits under their policies and the protection they may provide in connection with COVID-19. Any Insurer that writes none of the business described herein should notify DFS in a statement signed by an officer or other authorized representative of the Insurer in lieu of complying with the provisions below.

First, each Insurer should provide to DFS the volume of travel insurance business the Insurer wrote in the one-year period from the date of this letter, which should be expressed in amounts of direct premium, policy types and numbers of policies written of each type.

Second, each Insurer should examine the policies it has issued and explain the coverage each policy offers regarding COVID-19 — both presently and how the situation could develop to change the current status (i.e., is there any potential for coverage as a result of COVID-19). For each policy type, Insurers should prepare such information in a clear and concise explanation of benefits that is suitable for policyholder review. Insurers should then send such explanation to each of their policyholders. Insurers should also send copies of all such explanations to DFS, along with a representation that the explanations have been provided to the Insurer’s policyholders.
The explanation to policyholders should include, all relevant information, including, without limitation, whether the policy:

- covers trip cancellation or interruption because the policyholder’s intended destination has reported incidents of COVID-19;
- covers trip cancellation or interruption because the policyholder’s intended destination is the subject of a CDC travel warning;
- covers trip cancellation or interruption because the policyholder’s intended destination has reported incidents of any pandemic;
- - entertitles the policyholder who cancels their trip “for any reason” to receive benefits;
- provides medical coverage if the policyholder contracts the virus while traveling, including whether there is an operable foreseeability date triggering or precluding said coverage; and
- covers expenses if the policyholder is physically quarantined while traveling, including whether there is an operable foreseeability date triggering or precluding said coverage.

It is important for Insurers to continue to assist policyholders and consumers with the above information as developments concerning COVID-19 unfold.

All responses should be sent to Hoda.Nairooz@dfs.ny.gov on or before March 18, 2020.

Very truly yours,

[Signature]

Deputy Superintendent Stephen Doody