

OKLAHOMA INSURANCE DEPARTMENT

FIVE CORPORATE PLAZA
3625 NW 56TH, SUITE 100
OKLAHOMA CITY, OK 73112



WWW.OID.OK.GOV
PHONE: 405.521.2828
FAX: 405.521.6635

GLEN MULREADY
INSURANCE COMMISSIONER

BULLETIN NO. 2019-EXEC-01

To: ALL ENTITIES REGULATED BY THE OKLAHOMA INSURANCE DEPARTMENT, INCLUDING LIFE AND HEALTH INSURERS, HEALTH MAINTENANCE ORGANIZATIONS, THIRD PARTY ADMINISTRATORS, PROPERTY & CASUALTY INSURERS, LICENSED IN THE STATE OF OKLAHOMA

From: Glen Mulready, Insurance Commissioner

Date: May 24, 2019

Re: FLOOD EMERGENCY, MAY 24, 2019

The tornado and severe thunderstorms that occurred in Oklahoma during the month of May, 2019, produced wind, hail, and water damage throughout the state but most specifically in the northeast including the City of Tulsa.

The severe weather has disrupted the lives of many residents resulting in their inability to perform normal activities of daily life, much less attend to their insurance needs. As a result of the loss of basic services, evacuations, and flooding, affected Oklahomans have been unable to make timely premium payments on their insurance policies or receive notifications required by insurance laws relating to cancellations, non-renewals, reinstatements, and claims.

On May 8, 2019, Governor Stitt issued Executive Order 2019-19 and has since amended that order, declaring a disaster emergency for all seventy-seven (77) Oklahoma counties. This Bulletin, however, is only applicable to insureds residing in the zip codes in Attachment A ("affected areas"). We do expect the number of affected areas to increase as the effects of severe weather continue. This Bulletin will be effective from the date of issuance for a period of thirty (30) days but may be extended at the discretion of the Commissioner.

The Commissioner is issuing this Bulletin to assist consumers and individuals and entities regulated by the Oklahoma Insurance Department as they deal with the exigencies caused by the May 2019 storms.

The following applies to any and all insuring entities, including, but not limited to health maintenance organizations, accident and health insurers, third party administrators, discount medical plan organizations, property and casualty insurers, surplus and excess lines insurers, county mutual insurers, regarding all types of personal and commercial lines of insurance, including, but not limited to property and casualty insurance, life insurance, accident and health insurance, disability insurance, and all lines of coverage offered by any such entity regulated by the Oklahoma Insurance Department.

1. Coverage for insureds in the affected areas shall continue under all insurance policies in effect immediately preceding the severe storms occurring on and after the third week of May, and shall remain in effect until such time as this Bulletin expires.

Insurers may not cancel, nonrenew, or terminate coverage in the affected areas while this Bulletin is in effect. This period of time is a grace period during which consumers can take those actions necessary to keep their policies in force. Further, insurers may not cancel, refuse to renew, or increase the premium of any homeowner's insurance policy or any other personal residential insurance coverage, which has been in effect more than forty-five (45) days, solely because the insured filed a first claim against the policy. In addition, any rate increases for policies in affected areas, filed on or after May 1, shall be deferred.

2. Insureds in the affected areas may request and obtain a copy of any of their insurance policies free of charge.

3. Insurers shall not implement any rate increase for policyholders in the affected areas while this Bulletin remains in effect unless such rate increase was filed with the Department prior to issuance of this Bulletin. The coverage shall remain in effect at the previously established rate.

The Department recognizes that rating Oklahoma territories, counties and zip codes are not necessarily aligned and that insurers may have difficulty identifying policies in the affected areas. If an insurer has concerns with complying with the requirement of this section, please contact the Department to discuss a solution.

4. When prescription drug coverage exists for insureds in the affected areas, insurers shall allow insureds to obtain refills of their prescriptions even if the prescription was recently filled.

Insurers should work with their insureds and members to provide coverage for replacement medications.

5. Any licensed public adjuster performing services in the affected areas shall exhibit their adjuster license to any prospective client before entering into any contract for the performance of or before performing adjustment or settlement services.

This provision protects consumers from unlicensed adjustment activity. In Oklahoma, public adjusters must pass a competency test, obtain a bond, and pay an application fee before being licensed by the Department. Application information is available on the Department's web site: www.oid.ok.gov.

6. No person required to be licensed as a public adjuster by the Department shall require the insured to pay a fee in advance of the payment by the insurance company or collect their entire fee from the first check issued by an insurance company, rather than as a percentage of each check issued by an insurance company.

7. The insured has the right to cancel any contract with a licensed public adjuster performing adjustment or settlement until midnight of the third business day after the day on which the signed agreement was provided to the insured.

Consumers have the right to cancel any contract with a public adjuster without providing an explanation. If a consumer changes his or her mind about a public adjuster contract, the consumer should notify the public adjuster in writing as soon as possible.

8. No adjuster may, directly or indirectly, own or have a pecuniary interest in any business entity which provides construction or reconstruction related services on behalf of an insurance claimant for which the adjuster is providing services, nor may the adjuster, directly or indirectly, own or have a pecuniary interest in any other business entity which furnishes any supplies, material, services, or equipment purchased by or on behalf of the claimant unless providing services on a claim which is located in a municipality having a population of less than six thousand (6,000) persons; provided the adjuster gives written disclosure of the potential conflict of interest to both the insured and insurer prior to the performance of any adjuster services.

It is a clear conflict of interest for a public adjuster to provide adjuster services and other claim-related services on a single claim. Any consumer or insurer who believes that a public adjuster has violated any of the restrictions set out in this Bulletin should contact the Department.

Failure to comply with the requirements of this Bulletin may subject an individual or entity to penalties authorized in Title 36 Oklahoma Statutes.

Flood Zip Code affected areas are provided on the attached Zip Code list and map as "Attachment A".

Questions or comments applicable to this bulletin should be directed to:

Tyler Laughlin, Mike Rhoads, or Gordon Amini at:

**Oklahoma Insurance Department
Five Corporate Plaza,
3625 NW 56th, Suite100
Oklahoma City, OK 73112
405-521-2828**

The Oklahoma Insurance Department encourages readers of this notice to periodically check the Department's web site <http://www.oid.ok.gov/> for news and updates to Bulletins and other relevant material.

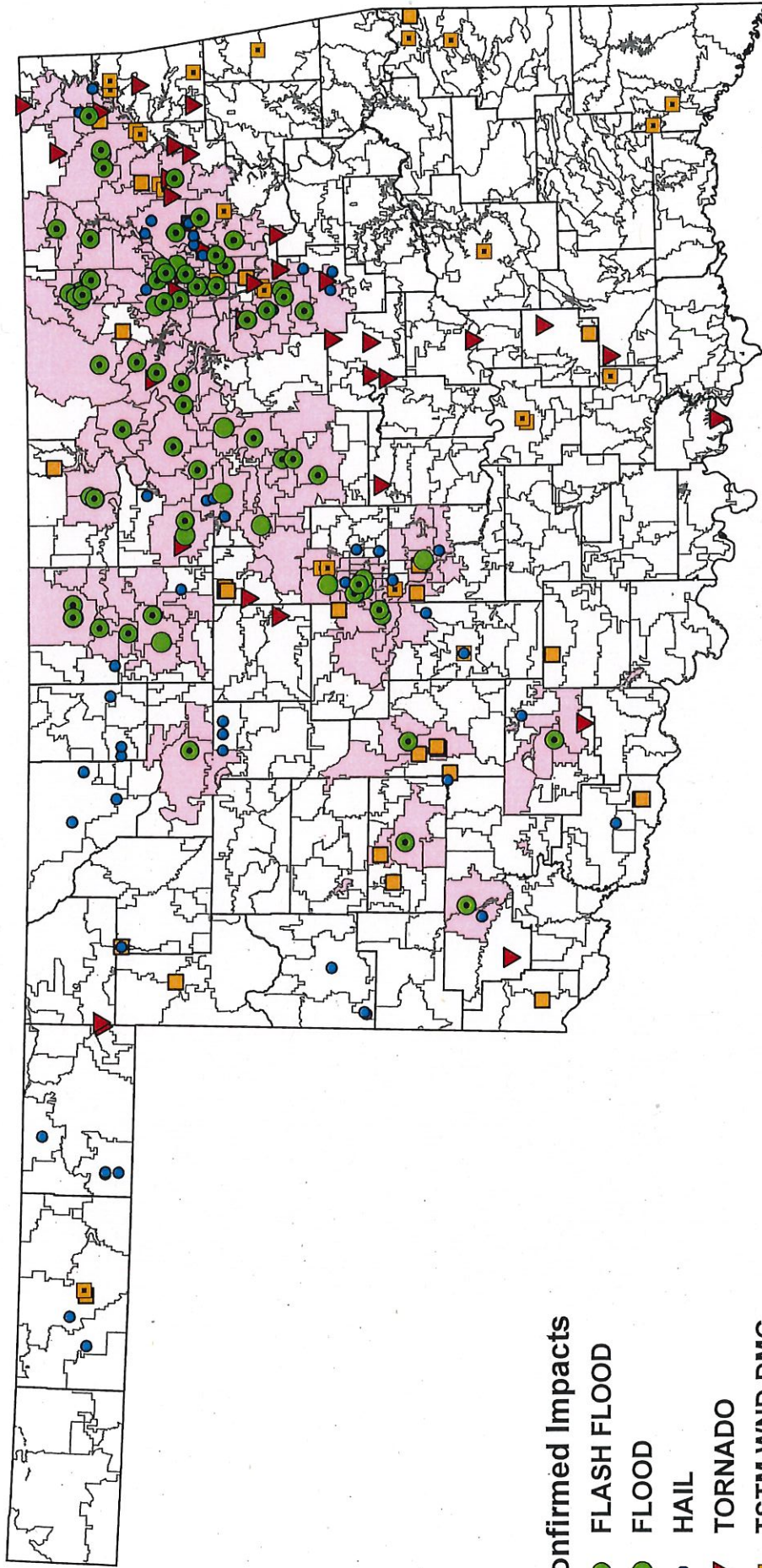
ATTACHMENT A

Flood Zip Codes

73755	73121	74012	73729
73048	73111	74130	74343
73026	73120	74120	74333
73165	73116	74105	73737
73009	73655	74033	73093
73053	73102	74129	74330
73038	73117	74134	74361
73173	73013	74354	73547
73072	73027	74110	73077
73103	73128	74014	73089
73071	73008	74429	74041
73068	74637	74128	74131
73159	74063	74104	74072
73069	74022	73747	74042
73169	73050	74117	74048
73129	74881	74456	74027
73122	74066	73065	74875
73115	74051	74015	74834
73132	74070	74080	73501
73109	74604	74036	74832
73097	73064	74053	74636
73118	73090	74055	73759
73134	73036	74107	74643
74074	73099	74145	74039
73105	74301	74132	73753
73104	74079	74133	73503
73119	74126	74008	73507
73179	74073	74447	73505
73107	74084	74421	73766
73112	74035	74047	73738
73114	74127	74116	74061
73131	74056	74016	74006
73106	74633	74337	73701
74824	74054	74650	73703
74075	74003	74032	73733
74023	74001	74081	73773
73108	74108	74020	73736
74059	74103	73061	74640
73127	74146	74034	74601
73034	74106	74045	74029
73003	74119	74085	73661
73044	74115	74058	73622
73058	74112	74038	73632
73142	74011	74331	
73162	74136	74021	
	74114	74332	
	74135	74017	

Impact Analysis Map

19-007 5/18-5/24 Severe Storms, Tornadoes and Flooding Event



Confirmed Impacts

- FLASH FLOOD
- FLOOD
- HAIL
- ▼ TORNADO
- TSTM WND DMG
- TSTM WND GST
- <all other values>
- Impacted ZIP Codes (FLOODING ONLY)