

RDOC :: TN 16985

BULLETIN 21-02

TO: Tennessee Licensed Insurance Companies

FROM: Carter Lawrence, Commissioner

RE: Flood Recovery

DATE: September 7, 2021

Tennessee has recently experienced devastating severe weather and flooding in Dickson, Hickman, Houston, and Humphreys counties. These tragic events have resulted in loss of life, destruction of property, and displacement of many Tennesseans. Pursuant to the authority granted by Governor Lee in Executive Order No. 85, I am requesting that insurance companies licensed in Tennessee make every reasonable effort to assist policyholders who have experienced losses because of, or have otherwise been affected by, the severe weather and flooding on August 21, 2021, in Dickson, Hickman, Houston, and Humphreys counties.

Specifically, I request that cancelations or non-renewals of policies for the non-payment of premium be suspended for a period of at least sixty (60) days from the date of the loss of those policyholders who have suffered property damage, injuries, or loss of life because of the catastrophic events. Insurers should take reasonable steps to inform affected policyholders that this extension is available. The sixty (60) day extension of time is not a waiver of a policyholder's obligation to pay premium. Where a delay in premium payment appears to be the result of a disruption to the mail delivery system or of the policyholder's displacement due to the severe weather and flooding, I request that insurers work with the policyholder and take those circumstances into account before canceling a policy.

Further, I request insurers make the following efforts to assist citizens affected by the severe weather and flooding:

- Allow exceptions to proof of loss deadlines, notice requirements, and other contract or underwriting requirements;
- Allow for policyholders to voluntarily enter payment plans;
- Allow policyholders to temporarily postpone payment due dates in order to continue insurance coverage;
- Suspend late payment, reinstatement, or insufficient funds fees along with any other fee, penalty, or interest charge resulting from the insured's temporary inability to submit premium payments;
- Allow insureds to request a duplicate copy of their policy at no additional cost;
- Refrain from canceling or non-renewing policies solely because of claims resulting from the flooding; and
- Allow for one (1) early or replacement prescription refill per medication.

This request for an extension and/or exception on behalf of Tennessee policyholders is not intended to address circumstances involving fraud, material misrepresentation, or any other reason unrelated to hardships created by the severe weather and flooding.

I greatly appreciate your cooperation in serving Tennesseans impacted by the devastating flooding. Any further questions should be directed to the Policy Analysis Section, 500 James Robertson Parkway, Davy Crockett Tower, 10th Floor, Nashville, Tennessee 37243 and/or (615) 741-8173.

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