



# DENNIS BONNEN



SPEAKER OF THE HOUSE

## **COVID-19 ADVISORY**

**March 25, 2020 | RE: TDI GUIDELINES ON CLAIMS HANDLING & GRACE PERIODS**

### **Texas Department of Insurance (TDI)**

The Texas Department of Insurance (TDI) has issued a bulletin to help consumers and the insurance industry during the COVID-19 outbreak and expects all insurers to work with policyholders experiencing financial hardships as a result of the pandemic.

Governor Greg Abbott has suspended certain claim-handling deadlines imposed by law and the Commissioner of Insurance has determined that the COVID-19 pandemic is a disaster under Texas Insurance Code Section 542.059(b). Taken together, this has the effect of extending statutory claim-handling deadlines by 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.

TDI encourages insurers to use grace periods for payments, temporary suspension of premium payments, payment plans, and other actions to allow continuing insurance coverage as appropriate.

The agency will work with carriers to minimize the regulatory effects of an insurer's actions to provide policyholder relief, specifically for financial review requirements. It is TDI's expectation that carriers will work directly with policyholders to resolve issues and minimize the effects of any penalties or additional charges.

Consumers and providers should continue to get timely service and receive prompt claims payments. Consumers or providers experiencing problems should contact the Texas Department of Insurance (TDI) Help Line at 1-800-252-3439.

For questions about premium payments, contact the TDI Financial Regulation Division at FIN-GM@tdi.texas.gov.

You can find TDI's full bulletin here: <https://www.tdi.texas.gov/bulletins/2020/B-0007-20.html>