



Government of the District of Columbia
Department of Insurance, Securities and Banking

Karima Woods
Acting Commissioner

BULLETIN
20-IB-2-04/10

TO: ALL INSURERS, CAPTIVES AND RRGs DOMICILED IN THE DISTRICT OF COLUMBIA

FROM: KARIMA WOODS, ACTING COMMISSIONER

DATE: APRIL 23, 2020

SUBJECT: MODIFIED REGULATORY FILING REQUIREMENTS DURING THE PUBLIC HEALTH EMERGENCY

Purpose and Authority

The purpose of this Bulletin is to advise all insurance companies, captives and risk retention groups regarding compliance with regulatory requirements during the coronavirus (COVID-19) Public Health Emergency. The Department of Insurance, Securities and Banking (“Department”) is announcing modified regulatory requirements to provide flexibility in recognition of restrictions that have been imposed by stay-at-home orders. The Department also anticipates making targeted information requests to insurance companies to gather specific information to track developing trends in the industry. Your prompt attention to these matters is appreciated.

This Bulletin is being issued pursuant to the authority granted by Mayor’s Order 2020-046 (March 11, 2020) declaring a Public Emergency and Public Health Emergency and any superseding Mayor’s Orders, and § 302 of the COVID-19 Response Emergency Amendment Act of 2020, effective March 17, 2020 (D.C. Act 23-0247; 67 DCR 3093) (“Act”).

For updates on the District’s response to the coronavirus (COVID-19), visit coronavirus.dc.gov.

Regulatory Filing Deadlines

At this time, companies are still required to make all required electronic filings with the NAIC based on modified filing deadlines, if applicable (*e.g.*, quarterly financial statements, audited financial statements, Market Conduct Annual Statements), or for those that are not filed with the NAIC, with the Department’s analyst assigned to your company. However, the Department is willing to allow insurers an additional 30 or 60 days (depending on the filing) to complete most of the following filings if the company files in writing a request to late file on or

before the normal deadline. The Department reserves the right to deny any request to late file based on the financial condition of the company or other unique circumstances that warrant such action.

If your company believes that it will not be able to meet any of the following financial filing deadlines required by law or by order, for all companies other than domestic risk retention groups and captives contact Nathaniel (Kevin) Brown (nathaniel.brown@dc.gov), Supervisory Financial Examiner, for domestic risk retention groups and captives contact Sean O'Donnell (sean.odonnell@dc.gov) in the Risk Finance Bureau, and for market conduct matters contact Sharon Shipp, Deputy Commissioner for Market Compliance (Sharon.shipp@dc.gov).

Filings eligible for a 30-day extension:

- May 1, 2020 Combined Annual Statement Filing (Property)
- May 1, 2020 Combined Insurance Expense Exhibit (Property)
- June 1, 2020 Accountant's Letter of Qualifications (Property, Life/Fraternal, Health, Title)
- Aug. 15, 2020 PBR Exemption filing due to state 7/1 and to NAIC 8/15 (Life/Fraternal)

Filings eligible for a 60-day extension:

- June 1, 2020 Audited Financial Report (Property, Life/Fraternal, Health, Title, Domestic RRG)
- June 30, 2020 Audited Financial Report (Captive)
- Aug. 1, 2020 Communication of Internal Control Related Matters Noted in Audit (Property, Life/Fraternal, Health, Title)
- June 1, 2020 Corporate Governance Annual Disclosure
- August 1, 2020 Own Risk and Solvency Assessment (ORSA) Summary Report
- April 30, 2020 Form B Registration Statement & Related Form C
- April 30, 2020 Risk Assessment Report (Form F) (Domestic RRG)
- July 1, 2020 Risk Assessment Report (Form F) (all other companies)
- April 30, 2020 Market Conduct Annual Statements for all MCAS lines of business
- June 30, 2020 Disability Income and Health Insurance MCAS

The following components of the 2019 annual filings that shall have the following due dates, and if applicable, shall be submitted to the assigned analyst for the Department:

- Apr. 30, 2020 Actuarial Memorandum Required by Actuarial Guideline XXXVIII 8D (Life/Fraternal)
- Aug. 1, 2020 Management's Report of Internal Control Over Financial Reporting (Property, Life/Fraternal, Health, Title)

The following NAIC 2020 quarterly electronic filings, which are all due May 15, 2020, are eligible for a 30-day extension:

- Quarterly Statement Filing as of March 31, 2020 (Property, Life/Fraternal, Health, Title, Domestic RRG)
- Trusteed Surplus Statement – Quarter Ending March 31, 2020 (Property, Life/Fraternal)
- Supplement A to Schedule T (Medical Professional Liability Supplement) – Quarter Ending March 31, 2020 (Property)
- Medicare Part D Coverage Supplement – Quarter Ending March 31, 2020 (Property, Life/Fraternal, Health)
- Merger/history quarterly form, if applicable (Property, Life/Fraternal, Health, Title) (electronic txt file only)
- Reasonableness of Assumptions Certification Required by Actuarial Guideline XXXV – Quarter Ending March 31, 2020 (Life/Fraternal)
- Reasonableness and Consistency of Assumptions Certification Required by Actuarial Guideline XXXV – Quarter Ending March 31, 2020 (Life/Fraternal)
- Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method Required by Actuarial Guideline XXXVI – Quarter Ending March 31, 2020 (Life/Fraternal)
- Reasonableness and Consistency of Assumptions Certification Required by Actuarial Guideline XXXVI (Updated Average Market Value) – Quarter Ending March 31, 2020 (Life/Fraternal)
- Reasonableness and Consistency of Assumptions Certification Required by Actuarial Guideline XXXVI (Updated Market Value) – Quarter Ending March 31, 2020 (Life/Fraternal)
- Director and Officer Insurance Coverage Supplement – Quarter Ending March 31, 2020 (Property)

Electronic Filings and Signatures

The Department generally instructs companies to file certain documents in hard copy form with original (wet) signature, and in some cases file by certified mail or first-class and with notary requirements. The hard copy, original signature, and related filing requirements are currently waived. However, companies are expected to keep a list of all filings that were made electronically in lieu of hard copy filings so that they can file all the hard copies within 60 days after the stay-at-home orders in their jurisdictions have been lifted, rescinded or expired and the company's employees have been allowed to return to work. The Department expects electronic communication, *e.g.*, email, will be used by companies on all other financial related correspondence, with hard copies provided within 60 days if required by law.

On-site Examinations

While a stay-at-home order remains in effect in the District, the Department will not conduct any on-site examination work. However, companies should be aware that the Department may need to request specific information in electronic form to track developing trends brought about by the COVID-19 pandemic. Further, unless an independent auditor and a company reside in a State where no stay-at-home order has been issued, the potential extended due date for audited filings noted above is available. The Department recognizes that company response times may be slower as more company employees work from home.

Captive Insurance Companies and Domestic Risk Retention Groups

The Risk Finance Bureau is teleworking until further notice and remains fully functional. If companies have questions, the staff can be reached during business hours on our normal contact telephone numbers and email addresses. Do not send mail correspondence or filings by U.S. mail or Fed-Ex until further notice. If a letter or filing is mailed, also send a copy electronically to ensure that it is timely received.

In addition to the guidance and regulatory guidance above, the Risk Finance Bureau announces the following supplementary modifications:

- There are currently no changes to the annual board of director DC meeting requirements. If a company is unable to comply with the requirement, then it should contact the Department in writing to request a waiver.
- All other submissions not addressed above such as applications, business plan changes, biographical affidavits, etc., should be filed electronically.
- The Commissioner may require any RRG considered to be “troubled” or in “hazardous financial condition” to comply with the normal filing deadlines for the following: annual and quarterly financial statements, actuarial opinions and audited financial statements.

Any questions or concerns regarding this Bulletin may be directed as follows: for all companies other than domestic risk retention groups and captives contact Nathaniel (Kevin) Brown at nathaniel.brown@dc.gov, for captives and domestic risk retention groups, contact Sean O’Donnell at sean.odonnell@dc.gov, and for market conduct matters, contact Sharon Shipp at Sharon.shipp@dc.gov.