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STATE OF HAWAII  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
INSURANCE DIVISION

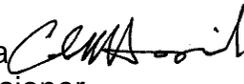
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MEMORANDUM 2020-4A

April 27, 2020

TO: All Admitted and Non-Admitted Insurers Offering Policies in the State of Hawaii

FROM: Colin M. Hayashida   
Insurance Commissioner

SUBJECT: Waivers of Certain Requirements for Insurers, Instructions, and Guidelines

This Commissioner's Memorandum incorporates and re-emphasizes all previous Memorandums issued by the Insurance Division in response to the impact of COVID-19 on the business of insurance in Hawaii and adds the following instructions and guidelines to facilitate insurers' responses and accommodations to policyholders:

1. The Insurance Division will not regard the following activities as unfair trade practices or unfair methods of competition under Hawaii Revised Statutes chapter 431, article 13, and encourages carriers to consider adopting and implementing these activities during this emergency period providing insurers' activities are reasonably related to assisting policyholders during this extraordinary time:
  - Waiving of fees, penalties, or other charges relating to an insured's temporary inability to submit premium payments or otherwise respond to an insurer's inquiries;
  - Extending of grace periods for payment of premiums;
  - Granting of additional time to policyholders to pay premiums before non-renewals or cancellations become effective;

- Extending of proof of loss submission deadlines to claimants;
  - Allowing of self-auditing and self-reporting in lieu of physical audits to the extent that physical audits are impracticable;
  - Encouraging policyholders to use electronic payment technology on websites, apps, and electronic bank transfers whenever possible to avoid in person payments; and
2. The Insurance Division will also support the following insurers' measures in claims handling to ensure consumer protection measures aimed at reducing the spread of the COVID-19 virus. These include:
- Virtual inspections of property; and
  - Increased use of electronic delivery methods for consumer notifications and interactions.
3. The Insurance Division will consider specific proposals from insurers designed to quickly adjust to changes in the insurer's risk exposure. Such proposals may, for example, allow personal vehicles to be covered while delivering food, medicine, or other essential services for commercial and charitable purposes; temporarily reduce premium prospectively; or refund premium retroactively. During this emergency, the Division may waive enforcement of relevant applicable statutes, and may allow insurer deviations from filed rates or contractual language, so long as the:
- Newly proposed rates are lower than what is the latest approved rate on file;
  - Insurer's actions are applied uniformly and without prejudice to all similarly affected insureds; and
  - Insurer has notified the Commissioner in writing of its specific proposal and justifications.

This Commissioner's Memorandum will remain in effect for 60 days from the date of this Memorandum's issuance and may be extended if the Commissioner determines it necessary.