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**March 31, 2020**

## **Insurance Department Issues Notice to Auto Insurers to Highlight PennDOT Extensions and Urge Flexibility During COVID-19 Outbreak**

**Harrisburg, PA** – Pennsylvania Insurance Commissioner Jessica Altman announced today that the Pennsylvania Insurance Department submitted to the Pennsylvania Bulletin a [notice](#) to all insurers writing automobile insurance, personal and commercial, within the Commonwealth of Pennsylvania during the COVID-19 pandemic. The notice directs insurers to apply policy provisions consistent with PennDOT guidance surrounding license expiration dates, and encourages additional flexibility in meeting the needs of policyholders.

“As the COVID-19 pandemic continues to stretch across the insurance industry, the department has remained committed to identifying possible areas of conflict and providing guidelines to insurers to ensure consumers are treated fairly,” said Altman. “PennDOT has extended drivers licenses that were set to expire from March 16 to April 30 until May 31, 2020, and we expect insurers to apply policy provisions consistent with that new guidance.”

Beyond [PennDOT’s guidance](#), the department is taking the opportunity to communicate its expectations of insurers during the COVID-19 disruption. As noted in the department’s [Notice 2020-04](#), the department recognizes that the COVID-19 disruption has posed unique challenges for the insureds and insurers of Pennsylvania. Responses to these challenges require flexibility on the part of the insurance industry. The department has, and continues to, strongly encourage insurers to work with their policyholders to find unique solutions to problems which may arise during this time.

The PID in its most recent guidance urges insurers to consider current circumstances when applying common discounts, such as discounts for good students who are not currently able to attend school, or low mileage rates for policyholders that no longer drive significant distances to get to work due to telecommuting opportunities. The guidance further requests that insurers review their use of credit scores in rates charged to consumers and reminds insurers that a declining credit score may not be used to increase a premium rate when a policy renews.

The guidance also speaks to unique circumstances created by the COVID outbreak and suggests ways to provide benefits to policyholders. For instance, the PID has heard from carriers working with policyholders to ensure continued coverage for otherwise excluded commercial activity, such as restaurant staff using personal vehicles to deliver food and pharmacy personnel delivering life-sustaining medications. PID supports and encourages such flexibility. Finally, the guidance urges insurers to provide flexibility in covering rental car assistance to make sure that a policyholder with a car being repaired at a facility that is now closed may have coverage extended for the continued use of a rental vehicle.

“We recognize the increased stress this pandemic is causing all Pennsylvanians and we are working tirelessly with insurers to ease the potential hardships and ensure minimum disruption for consumers and operations,” said Altman. “We appreciate the innovative ideas coming from the insurance industry and its sincere efforts to help policyholders. We encourage insurers to reach out to the Department as new issues arise.”

The insurance department, in partnership with the Departments of Health and Human Services, developed an [FAQ](#) that provides information and answers to common questions related to insurance coverage and COVID-19.

If a consumer receives an unexpected bill related to COVID-19, or other healthcare services, they are encouraged to contact the department at 1-877-881-6388.

Visit the commonwealth's [Responding to COVID-19 guide](#) for the latest guidance and resources for Pennsylvanians or the [Pennsylvania Department of Health's dedicated coronavirus webpage](#) for the most up-to-date information regarding COVID-19.