



Updates on Covid -19 Insurance Premium Relief

On April 13th, 2020 Ricardo Lara the commissioner of the California Department of Insurance (DOI) announced that businesses and consumers should be eligible for a premium refund for payments made in March and April due to the effects of the COVID-19 crisis. The commissioner stated Insurers may comply with the refund by providing a premium credit, reduction, return of premium, or other appropriate premium adjustment.

The lines of insurance eligible for premium refunds:

- Commercial liability insurance
- Commercial automobile insurance
- Medical malpractice insurance
- Workers' compensation insurance
- Commercial multiple peril insurance
- Private passenger automobile insurance
- Any other line of coverage where the risk may have become substantially overstated as a result of the pandemic.

The DOI has given the carriers 120 days to comply with the order. The carriers are working to apply the refunds in a timely manner given the urgency of the matter. Westlake Risk & insurance Services is working diligently with our client partners and prospects to discuss other measures which may impact premiums and payments such as:

- Revising payroll and Revenue projections to amend active policies



- Helping to reduce fleet counts and delete non-operational vehicles
- Discussing premium payment deferrals
- Discuss cancellation deferrals for nonpayment of premium
- Negotiate with Finance companies a new payment structure to ease the financial burden

The Workers Compensation Insurance Rating Bureau (WCIRB) is in the process of reviewing three proposed rules changes this week that could have a material impact on the classification of employees and rating during this crisis. The situation is fluid and we fully anticipate more changes to come.

Your team at Westlake Risk & insurance Services, has created a Covid - 19 website link for our clients and friends which contains a vast resource of information for Covid -19 related topics. You can access the website via westlakerisk.com and clicking on the Coronavirus link.

If you have any immediate questions or concerns, please contact your broker or service team today. The most important thing is that our clients and friends know that we are here for you in your time of need to help steward you through this unprecedented time in our lives.

Stay well!

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