

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF THE REQUEST FOR)
CERTAIN INFORMATION FROM ALL)
LICENSED, ADMITTED AND SURPLUS LINES)
INSURERS TRANSACTING PROPERTY AND) ORDER
CASUALTY INSURANCE COVERAGE IN)
NEW JERSEY AND NJCAIP AND NJPAIP)

This matter having been opened by the Commissioner of the Department of Banking and Insurance (“the Commissioner”) pursuant to the authority of N.J.S.A. 17:1-8.1, N.J.S.A. 17:1-15(e), N.J.S.A. 17:22-6.40 et seq. and N.J.S.A. 17:23-20 et seq., N.J.S.A. 17:29B-5, N.J.S.A. 17B:30-16, N.J.A.C. 11:2-17.12, and all powers expressed and implied therein; and

IT APPEARING that due to the reduction in risk of loss for private passenger automobile insurance, as a result of reduced driving, and the overall reduction in risk of loss across other lines of insurance due to the Coronavirus (“COVID-19”) pandemic, it is necessary for the Department of Banking and Insurance (“Department”) to monitor current market conditions for property and casualty insurance in this State; and

IT FURTHER APPEARING that, pursuant to N.J.S.A. 17:23-20 et seq., the Commissioner has authority to address inquiries to insurers transacting business in New Jersey concerning their condition or affairs on any matters connected with their transactions; and

IT FURTHER APPEARING that the Department has determined that it is necessary to review the actions taken and contemplated future actions to reduce premiums in response to or consistent with Department Bulletin No. 20-22.

NOW THEREFORE, IT IS on this 12th day of May, 2020 ORDERED that all insurers of private passenger automobile insurance; commercial automobile insurance; workers’

compensation insurance; commercial multiple peril insurance; commercial liability insurance; medical malpractice insurance; and any other line of coverage where the measures of risk have become substantially overstated as a result of the COVID-19 pandemic:

1. Insurer groups with more than \$20,000,000 in written premiums for 2019 for all property/casualty lines combined, must provide to the Department data regarding New Jersey claim activity and New Jersey premium collection activity for the following three time periods: a) January 1, 2020 to March 21, 2020; b) March 22, 2020 to the date of the report; and c) the same time period as provided in b) however for 2019. Insurer groups' reports should provide data for these time periods, or as close as practicable. Claim data shall include measures of claim frequency and claim severity. Premium collection activity shall include measures of premium billed or due and actual premiums collected. These data reports shall be provided bi-weekly on the following dates: May 19, June 2, June 16, June 30, July 14, July 28, August 4, August 18, September 1 and September 15; the data provided in each report shall be the most current available through the preceding week's end.

2. All insurer groups and the New Jersey Personal Automobile Insurance Plan (PAIP) and Commercial Auto Insurance Plan (CAIP) must provide to the Department a report containing all actions taken, and contemplated future actions, to reduce premium in response to or consistent with Bulletin No. 20-22. The report shall include New Jersey-specific information and an explanation and justification for the amount and duration of any premium reductions based on the company's claim and premium data. The report shall also provide monthly and overall totals for the following: aggregate premium prior to, and subject to, application of refunds or adjustments; aggregate premium refunds and adjustments; the number of in-force policies, and number of policyholders receiving refunds or adjustments. These reports shall be due on June 1, July 1,

August 1 and September 1; the information provided in each report shall reflect activity through the preceding month's end.

All reports submitted pursuant to sections 1 and 2 above may be submitted on an insurer group basis. Insurer information supplied in accordance with this Order shall be kept confidential to the extent allowed by applicable State law, including, but not limited to, N.J.S.A. 17:23-24 and 47:1A-1 et seq.

Information filed pursuant to this Order shall be sent via e-mail to: Covid19preports@dobi.nj.gov.

Failure to comply with the terms of this Order may result in the imposition of penalties as authorized by law, including, but not limited to, penalties pursuant to N.J.S.A. 17:33-2.

Questions regarding this Order may be directed to Covid19preports@dobi.nj.gov.



Marlene Caride
Commissioner