



Date: April 23, 2020
To: Members, California State Senate
From: Rex D. Frazier, President
Re: PIFC Member Companies response to COVID-19

Members:

STATE FARM
LIBERTY MUTUAL
PROGRESSIVE

MERCURY

NATIONWIDE

FARMERS

Associate Members:

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by American Family

I sincerely hope you and yours are doing well during the unprecedented COVID-19 outbreak and ensuing shelter-in-place. The goal of this outreach is to provide an update on accommodations insurers are providing to support consumers who are facing uncertainty and financial hardship. The mission of an insurer is to be there for policyholders when they need it most. During these unparalleled circumstances, this mission has been amplified as PIFC's member companies' rise to meet the moment.

First, insurance companies are providing payment flexibility to support loyal customers during this difficult time because losing insurance coverage only compounds financial hardship. Examples of accommodations include waiving late fees during grace periods, deferring due dates and not canceling policies due to non-payment of premiums. Additionally, all of our member companies, subject to the California Department of Insurance approval, will refund portions of auto premiums during the pandemic to support struggling Californians who are putting fewer miles on their cars.

Although many people are at home, sheltering in place, this does not mean that claims for auto and home coverage have ceased. COVID-19 does not prevent pipes from leaking and fender-benders. Our member companies are available for customers to inquire about accommodations. Many insurance companies have created formal policies for automatically offering extended time frames for claims processing. Those who have not are evaluating on a case by case basis when a customer requested. Safety and containment of COVID-19 remain at the forefront of evaluation.

Additionally, insurance companies are providing coverage flexibility for drivers while they keep our economy going. Many small businesses have shifted to providing deliveries for goods, such as food, medicine, and groceries. Although these deliveries by workers are not usually covered under private passenger auto policies, insurers are making commitments to covering these drivers.

And finally, insurers are dedicated to their community. In addition to aiding our customers, PIFC member companies have collectively pledged tens of millions of dollars to support COVID-19 relief efforts. Some are donating masks while others are supporting local non-profits. All are doing their part to support Californians.

This is only an overview of accommodations PIFC member companies are providing. We understand you and your constituents may have more nuanced questions. For more detailed information on each company's response, PIFC is providing the following website for convenience – pifc.org/COVID-19.

Respectfully,

A handwritten signature in black ink that reads "Rex Frazier".

Rex Frazier
President, Personal Insurance Federation of California