



Office of the Director
Arizona Department of Insurance
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Douglas A. Ducey, Governor
Christina Corieri, Interim Director

REGULATORY BULLETIN 2020-03¹

To: Arizona-authorized Insurers

From: Christina Corieri, Interim Director

Date: April 14, 2020

Re: **Complying with Regulatory Requirements during the Public Health
Emergency**

Purpose

The purpose of this bulletin is for the Arizona Department of Insurance (Department) to advise all insurance companies regarding flexibility the Department is offering with regard to compliance with regulatory requirements during the COVID-19 public health emergency. This flexibility is being provided in part to recognize that we and other states anticipate using additional targeted information requests to gather more specific information and your prompt attention to those requests is appreciated.

Regulatory Filing Deadlines

At this time, companies are still required to make all required electronic filings with the NAIC (e.g., quarterly financial statements, audited financial statements), and for those filings that are not filed with the NAIC, to make all required state filings with the Department. However, the Department is allowing insurers additional time to complete the types of filings listed on the succeeding pages of this Bulletin, but reserves the right to rescind extensions of filing due dates for any individual company based upon its financial condition or unique circumstances. We ask that companies make the required filings as early as possible, but by no later than the extended filing date.

If your company believes that it will not be able to meet any of the following financial filing deadlines required by law or by order, please send an email providing the status of your filings to Cary Cook, Chief Financial Compliance Officer, at ccook@azinsurance.gov.

Filings with a 30-day Delay

¹ This Substantive Policy Statement is advisory only. A Substantive Policy Statement does not include internal procedural documents that only affect the internal procedures of the Agency, and does not impose additional requirements or penalties on regulated parties or include confidential information or rules made in accordance with the Arizona Administrative Procedures Act. If you believe that this Substantive Policy Statement does impose additional requirements or penalties on regulated parties, you may petition the agency under A.R.S. § 41-1033 for a review of the Statement.

- May 1, 2020 Combined Annual Statement Filing (Property)
- May 1, 2020 Combined Insurance Expense Exhibit (Property)
- June 1, 2020 Accountant's Letter of Qualifications (Property, Life/Fraternal, Health, Title)
- Aug. 15, 2020 due to NAIC and July 1, 2020 due to state PBR Exemption filing due to state 7/1 (Life/Fraternal)

Filings with a 60-day Delay

- June 1, 2020 Audited Financial Report (Property, Life/Fraternal, Health, Title)
- Aug. 1, 2020 Communication of Internal Control Related Matters Noted in Audit (Property, Life/Fraternal, Health, Title)
- June 1, 2020 Corporate Governance Annual Disclosure
- June 30, 2020 Own Risk and Solvency Assessment (ORSA) Summary Report
- March 31, 2020 Form B Registration Statement & Related Form C
- March 31, 2020 Risk Assessment Report (Form F)

The filing deadlines for the applicable components of the **2019 annual filings that, if applicable**, should be submitted **only to an insurer's state of domicile** are as follows.

- April 30, 2020 Actuarial Memorandum Required by Actuarial Guideline XXXVIII 8D (Life/Fraternal)
- Aug. 1, 2020 Management's Report of Internal Control Over Financial Reporting (Property, Life/Fraternal, Health, Title)

Filings with a 30-day Delay

The NAIC filing deadlines and requirements for the **2020 quarterly** electronic filings are as follows, all Due May 15, 2020:

- Quarterly Statement Filing as of March 31, 2020 (Property, Life/Fraternal, Health, Title)
- Trusteed Surplus Statement – Quarter Ending March 31, 2020 (Property, Life/Fraternal)
- Supplement A to Schedule T (Medical Professional Liability Supplement) – Quarter Ending March 31, 2020 (Property)
- Medicare Part D Coverage Supplement – Quarter Ending March 31, 2020 (Property, Life/Fraternal, Health)
- Merger/history quarterly form, if applicable (Property, Life/Fraternal, Health, Title) (electronic txt file only)
- Reasonableness of Assumptions Certification Required by Actuarial Guideline XXXV – Quarter Ending March 31, 2020 (Life/Fraternal)
- Reasonableness and Consistency of Assumptions Certification Required by Actuarial Guideline XXXV – Quarter Ending March 31, 2020 (Life/Fraternal)

- Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method Required by Actuarial Guideline XXXVI – Quarter Ending March 31, 2020 (Life/Fraternal)
- Reasonableness and Consistency of Assumptions Certification Required by Actuarial Guideline XXXVI (Updated Average Market Value) – Quarter Ending March 31, 2020 (Life/Fraternal)
- Reasonableness and Consistency of Assumptions Certification Required by Actuarial Guideline XXXVI (Updated Market Value) – Quarter Ending March 31, 2020 (Life/Fraternal)
- Director and Officer Insurance Coverage Supplement – Quarter Ending March 31, 2020 (Property)

Electronic Filings and Signatures

Regarding filing requirements, the Department has instructed companies to file certain documents in hard copy form. Any hard copy filings required may be sent to the Department's electronic filing email address, financialfilings@azinsurance.gov. The hard copy filing requirements are currently waived. *Do not* also make the hard copy filing. The Department expects electronic communication will be used by companies on all other financial related communication.

Regarding jurat page signatures, one signature without a notary is acceptable and the Department will also accept electronic signatures during this public health emergency.

On-site Examinations

Some insurers have inquired regarding whether the Department will continue to conduct on-site examinations during the COVID-19 pandemic. While the Department intends to fully comply with any government directives regarding public gatherings, the Department will not conduct any on-site examination work that is contrary to the spirit of any public health directive and to facilitate this, insurers should be aware that the Department may need to request more information in electronic form. The Department expects independent auditors will take a similar position, thus an extended due date for that filing is noted in the above list. The Department acknowledges that company response times may be slower as more company employees work from home.

Effective Date

This bulletin shall take immediate effect.