

## MARCH AND APRIL PREMIUM REFUNDS MANDATED BY CALIFORNIA DEPARTMENT OF INSURANCE

On April 13, Ricardo Lara, California's Insurance Commissioner, released Bulletin 2020-3 (click [here](#) for Bulletin) to all property and casualty insurers and workers' compensation insurers in the state. Commissioner Lara has mandated insurance premium refunds, credits, and/or reductions in response to the COVID-19 pandemic. Carriers have been ordered to make initial refunds for the months of March and April to all adversely impacted policyholders as quickly as practicable but no later than 120 days from the release of the bulletin. Impacted lines of coverages include auto insurance, workers' compensation, and liability policies.

The Commissioner has suggested that insurers may take either of the following actions to comply with this mandate:

- 1) Apply a uniform premium reduction for all policyholders in an individual line of insurance which may be an average percentage based on estimated change in risk and/or reduction of exposure bases. Or,
- 2) Insurers may refund premium by reassessing the classification and exposure bases of affected risks on a case-by-case basis.

We have not yet received responses from any insurers at this point. However, we will be monitoring insurance carrier procedures regarding this bulletin.

Your SullivanCurtisMonroe Account Executive has reached out to you regarding your business. They can assist you in requesting individualized changes to your policies, including mid-term changes to your payroll, sales projections, auto fleets, and other premium bases. These suggestions and other useful information can be found at our [SCM COVID-19 RESOURCE CENTER](#). (Please refer back to the SCM COVID-19 Resource Center for responses from admitted insurance carriers as they become available.)

Contact your Account Executive directly, call us at 800-427-3253, or email us at [scmteam@sullicurt.com](mailto:scmteam@sullicurt.com).

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