



COVID-19 Outbreak: Insurance Implications and Response¹

March 29, 2020

The COVID-19 Pandemic is significant for the insurance sector, given its contractual coverage of health and mortality risk. Impacts are multifaceted with some effects offsetting negative aspects. The pandemic is not a “Black Swan” event for well-run insurers, but it is significant, compounded by financial-asset and interest-rate movements. This note explains transmission mechanisms covering a diversity of liability, asset and operational elements.

Official interventions to date have included oversight of continuity plans at insurers, activation of plans at supervisory agencies, emphasizing the need to treat customers fairly and to avoid cancellation of cover or adverse impacts from virus-related policy exclusions. There has been some amendment of contractual terms to avoid unreasonable action², facilitating proactive innovation such as telemedicine, relaxing reporting timelines, and delaying other policy initiatives. The World Bank can play a role assessing client-country markets, including state-owned insurers and reinsurers. It can support stress-testing efforts, assist with capital regulation management and reform, and support supervisors as they assess and respond to solvency challenges or to resolve insurers in difficulty should that arise. It can support reforms to regulations in the short- and medium-term and provide direct support—including analysis of global responses—to supervisory staff and policymakers with limited technical skills.

1. Background

The coronavirus pandemic has a multifaceted impact on the insurance sector globally and locally in client countries with both negative effects and offsetting elements. It can be expected that insurers may be significantly negatively affected, given that they provide coverage for claims for death, health and other adverse contingencies. Asset-market deterioration is also material; however, net effects are more nuanced.

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² Especially waiving cost contributions on COVID-19 testing or other disincentives to seek related medical attention.



Pandemics are not a “Black Swan” event for the insurance sector. Especially with respect to life and health insurance business lines, pandemics have been the most important mortality and morbidity exposure consideration. Experience since 1918 illustrates that pandemics are more of the order of one in 30-year events, well within the risk tolerance of insurers. Solvency and capital regimes include both capital requirements and solvency assessment rules³. Insurance supervisors give attention to it as part of their review of reinsurance plans and through the increasingly prevalent “Own Risk and Solvency Assessment” (ORSA) exercises required of insurers. Professional associations have developed a body of literature. More sophisticated globally operating companies model pandemics as a stress scenario in their internal risk and capital management processes. Even the smallest insurer would consider excess death numbers when putting reinsurance programs in place⁴.

But the Covid-19 events have, like all other extreme events, unique features that present challenges to the insurance sector. Much of the stress-testing assessments done in the past focused on additional mortality and morbidity. The economic dislocation to the extent currently evident was not usually captured and is only now being incorporated in supervisory and sector assessments.

This note considers the impact of the crisis on insurers. A vulnerable country may, or may not, have an insurance industry that is playing a role. When the country is vulnerable and has an insurance sector, then the question of whether the insurance sector can manage and mitigate the vulnerability is a critical consideration. Where a country has a nascent insurance sector, the vulnerability remains with governments and with the population, many of whom are unable to handle adversity in ordinary times, let alone in a crisis.

The note also provides some additional information in annexes. Annexes are provided that include an analysis of transmission mechanisms in more detail, by product and by business activity and sets out the range of actual observed policy measures taken in countries.

2. What is the nature of the impact on insurers?

Transmission channels vary through all parts of the insurance value chain and by product, including financial impacts directly on asset and liability sides of balance sheets, as well as operational impacts with financial consequences. Almost daily, new aspects of the current and potential impact are emerging. The multi-faceted nature of the impact, and the need to be

³ Solvency II includes allowance for an extreme pandemic at the 1 in 200 year return period level of severity. The Own Risk and Solvency Assessment (ORSA) also requires consideration and modelling of the impact of pandemics.

⁴ The 2008 financial crisis did involve disruption in the insurance sector. At this point, there is no evidence that individual insurers may be unduly concentrated in the risks associated with either assets or liabilities beyond market conventions in the same way that some entities were atypical regarding credit default coverage, but this issue will be monitored as the current crisis plays out.



continuously updating expectations for impact, remains critical to insurers and their supervisory agencies.

Transmission channels can be summarized in three main categories: (1) those related to the obligations under insurance contracts; (2) the impact of asset-market changes on values and on liquidity; and (3) operational risks (see Figure 1). A further elaboration of product- and channel-related transmissions is detailed in the “Annex 1: Understanding Transmission Channels”.

Figure 1: Categorizing Insurance Sector Impacts

Insurance Obligations	Asset Values and Liquidity	Operational Challenges
<ul style="list-style-type: none">• Mortality• Morbidity• Travel• Property risk exposures change• Fraud risk and Cyber risk increases• Positive and negative impacts to be evaluated• Valuation of long term liabilities increases as interest rates fall• Consequent pricing changes	<ul style="list-style-type: none">• Asset valuation in equities largely negative• Fixed interest valuations improve on reduced interest rates• Credit exposure largely focused on corporates and investment grade entities deteriorating• Potential for impact from FX rate changes• Liquidity, or lack of need for it, can be an advantage for life insurers	<ul style="list-style-type: none">• Claim remediation delivery• Continuation of service delivery• New Business declines through inactive sales channels, and client base activity reduction during short term closure phases and subsequent real economy contraction

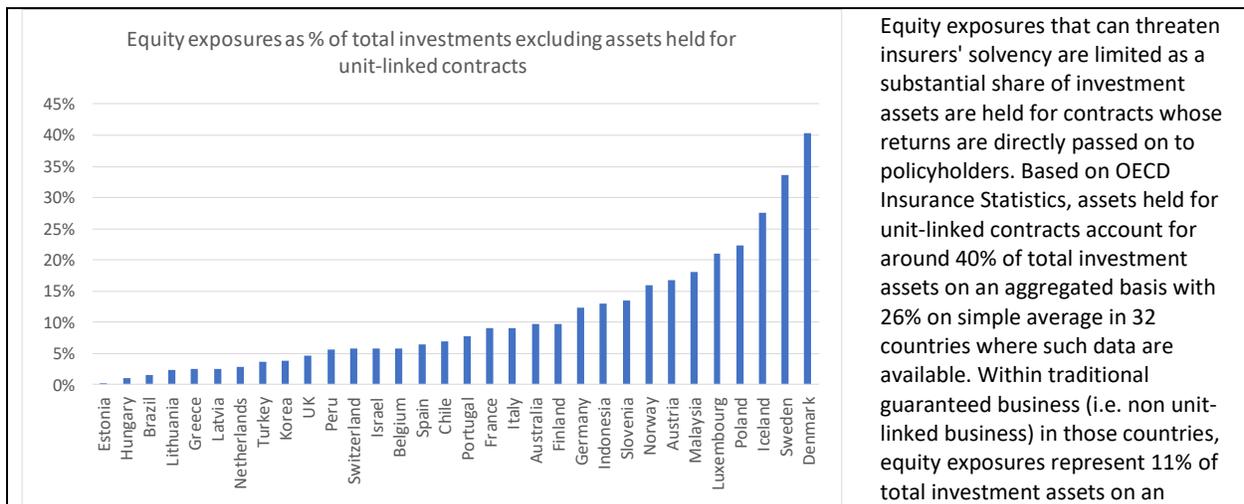
The coronavirus has impacted many of the insurance-related obligations of insurers. The range of claims impacts vary by product. *Life and health insurance* anticipate increased claims, as well as increased costs in providing for the benefits arising per claim, as would be expected. For *non-life insurance*, the impact on the diverse lines of business which are covered is less predictable. Policies, such as those for business interruption, liability insurance, travel insurance, event cancellation, etc., tend to have a standard exclusion for pandemics and related risks. As such, since early 2000, most non-life insurance policies do not provide coverage against diseases such as COVID-19. However, impacts depend on the precise definitions in contracts, the events that occurred or were related to actions before the pandemic was declared, and the potential for indirect cause and effect of loss. There is changing exposure to risk arising from alternative working and travel arrangements, which have reduced risk of motor accidents, increased cyber-risk exposure, and shifted risk due to employment location. Increased costs, due to constraints in service supply in the health sector, are adding to insurer claims.

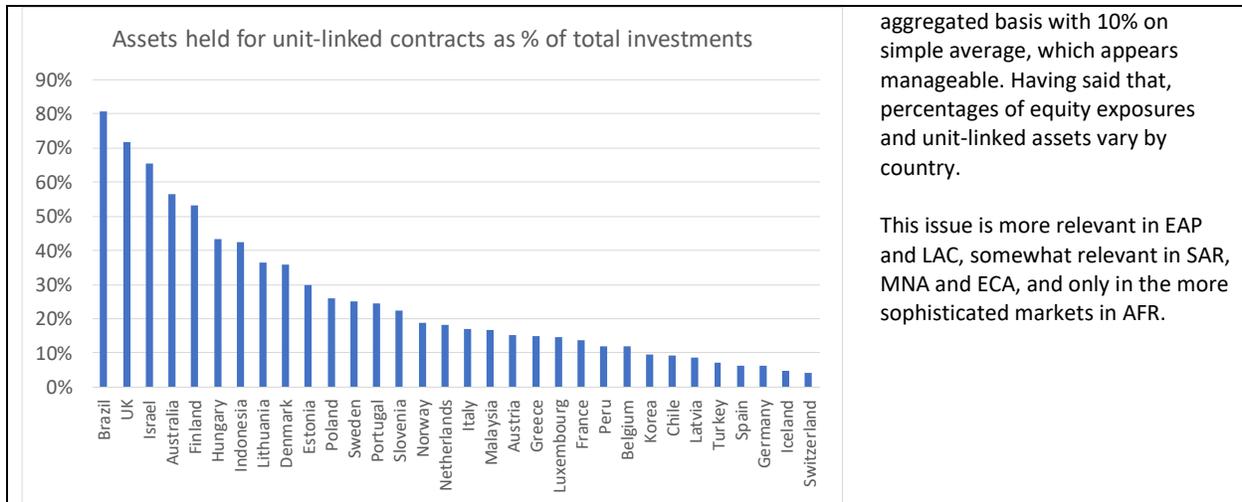


Asset-related exposures are material to solvency. They focus on four main elements.

- Equity exposures are a material issue in many markets, especially in EAP and LAC, but a substantial share of market-value changes is directly passed on to policyholders.** Although some insurance-equity-holdings back more capital-stable insurance-investment products, a substantial proportion match investments made by clients into investment-linked products, where policy values vary directly with asset-value changes. See Figure 2 below, which uses OECD data to show variations between jurisdictions in the extent to which assets may be backing investment-linked-liabilities. For those that do not, the equity exposure can also be quite different from country to country.
- Insurers have been negotiating the adverse impact of low interest rates for a long period,** compared with the obligations embedded in the stock of inforce investment products with guarantees. Current interventions have driven rates lower still. As the duration of the liabilities is generally longer than the assets, reinvestment risk has increased.
- Credit deterioration is an issue** as corporate exposures are downgraded from investment grade. Efforts to improve yield by investing in lower-grade credits may become an issue, as the pandemic crisis leads to real economy credit events. Credit downgrades are currently expected to be a significant problem, due to the requirement for capitalization of higher risk exposures, even more so than any default events themselves.
- Insurers are, and are expected to continue to be, more liquid than their liabilities require.** Insurance product payouts are not generally “on demand,” however, some insurers may see liquidity constraints, if product cancellations and surrenders increase sharply and new business and renewals decline in the face of deteriorating economic conditions.

Figure 2: Equity exposures and investment linked liabilities differ considerably across insurance markets





Source: OECD, Staff Analysis. Note: Equity exposures exclude private equity funds and may include investments in associates.

aggregated basis with 10% on simple average, which appears manageable. Having said that, percentages of equity exposures and unit-linked assets vary by country.

This issue is more relevant in EAP and LAC, somewhat relevant in SAR, MNA and ECA, and only in the more sophisticated markets in AFR.

Changes in operating conditions also increase cost. Providing for claims may become more costly, given economic disruption⁵. The risk of fraudulent claims over a range of insurance lines increases when economic conditions deteriorate, particularly when unemployment increases. Insurers are also changing processes to facilitate remote interactions with clients and business partners, some proactively and others reactively but all with a cost.

Importantly, insurers face short-term and medium-term impacts. Changes in both expectations for claims frequency and for claims amounts will lead to potential reviews of pricing. The most obvious of these are the products that insure mortality and morbidity. Usage-based insurances, changes in risk exposures, and customer needs will also require a response. Economic variables affect provisioning values and pricing, especially with lower expected rates of return. Provisions will need to increase, given lower discounting rates. Premiums on many products will face upward pressure, leading to reduced business volumes which, in turn, pressure expense margins and erode solvency.

Second- round effects on competition, plus pressure on insurance margins in contracting markets with reduced profitability, may eventually lead to consolidation⁶. Product pressures, including reputational risk from exclusions of claims under business-interruption insurance, are also starting to draw political attention in some countries.

Identifying vulnerabilities for insurance

In countries where insurance markets are not developed, risks and vulnerabilities will require alternative support, such as direct engagement from governments. Where the insurance sector can carry some of the burden, then the question remains whether it can withstand

⁵ For example, travel repatriation is problematic as airline travel is cut back and mandated quarantine periods may increase costs. Medical services can be expected to be more costly given supply constraints. etc.

⁶ Existing WB work on insurance sector competition and consolidation is expected to be more widely applicable.



the challenges. Taken together, assessing the risk and the role of insurance, a combined “net vulnerability” can be assessed.

It is notable that lower-income countries with less-developed markets tend to have less life insurance business. Their market relies more on compulsory motor insurances, and financial inclusion in the insurance sector is likely to be problematic. The transmission for motor insurers is related to the economic slowdown, rather than mortality stress. Where financial inclusion initiatives have been pursued and microinsurance is relevant, the predominant products are life- and health-related, and their risks are a very material issue for insurers, policymakers, supervisors and project sponsors. For these microinsurance products, stakeholders face high financial and reputational risks.

The drivers that influence vulnerability in a country’s insurance sector reflect the expected development of the pandemic in the country, population vulnerability, insurance-sector coverage and reach in relevant product risk sub-segments.

The World Bank will continue to refine and develop analysis for governments to deepen the assessment of their countries’ insurance sectors and develop appropriate responses.

3. How are Policy Makers Responding?

Insurance regulatory authorities and government bodies are reacting to protect policyholders’ interests and minimize the impact on the stability of the insurance industry. Various supervisors have issued guidance and other public statements and taken specific action in their own operations. For a detailed list of country examples see “Annex 3: Insurance Sector Related Policy Measures and Interventions”.

In summary, responses so far have focused on:

5. **Ensuring that business continuity arrangements at insurers** are in place, operational and robust (e.g. Canada, China, EU, New Zealand, UK, USA);
6. **Emphasizing the need to ensure customer treatment is fair** and flexible (e.g. China, Japan, India, Philippines, Spain Thailand, UAS, USA). In some specific situations there has been a need to enhance product benefits beyond the standard contractual terms or to provide customers with relief of particular requirements to ensure that they are not unreasonably treated. Examples include waiver of co-pay requirements for CoVid testing and extensions on premium payment terms to avoid cancellation of cover, and a focus on the impact of pandemic exclusions in policies;
7. **Some product-related interventions** have been required where potential high-profile reputational risk issues were emerging. This has included travel insurance public education and claims handling, in particular (e.g. New Zealand, USA).



8. **Facilitating innovation** associated with expeditious claim handling, remote interactions between clients and insurers, including electronic documentation handling and, more proactively, including more accessible telemedicine options (e.g. China, India, Pakistan, Philippines, USA);
9. **Reinforcing supervisory arrangements with entities as supervisory offices also transition to more remote working arrangements**, including communication arrangements, reducing the impact of inspection work and shifting some to remote arrangements, etc. (e.g. Australia, Barbados, Belgium, China, Slovakia);
10. **Suspending unrelated policy reform programs and extending routine regulatory reporting timetables** (e.g. Canada, Bermuda, Belgium, Italy, Slovakia); and
11. **Increasing surveillance of COVID-specific issues**, including reviews of operational and financial resilience and governance (e.g. Canada, Belgium, Lithuania). Often this has included reviewing stress testing with insurers and conducting more focused, issue-driven analysis.

In the near term, it is expected that further financial reporting, disclosure, and solvency related activity will be taken by supervisors.

The IAIS has established a focused project at Executive Committee level that is gathering materials and surveying members. The Access to Insurance Initiative also plans to follow the IAIS Survey with a set of information-sharing activities. The Toronto Centre has commenced a series of webinars to inform supervisors.

Professional bodies, particularly actuaries, have updated support for their members. Information hubs, newsletters, and dedicated ad-hoc working groups have all been established to make material more accessible. They have also produced publications and some supplementary research to contribute to public policy debates.

4. What role can the WBG play?

In the short-term, assistance to insurance supervisory agencies will be critical, particularly in more vulnerable jurisdictions. Client countries will look to the Bank to assist with crisis-response actions, drafting communications to supervised entities, training and facilitation of information exchange. Country teams with support from the Global team, and insurance supervisory agencies could also proactively engage. Given the material impact of COVID-19 on insurance in some jurisdictions it would be critical to open dialogue to support prompt action and to pave the way for medium and long-run follow-up and support.



Other high priority and short-term interventions include the following.

12. **Stress Testing and Assessment:** One critical need is to assess insurance sector vulnerability of national markets, including the vulnerability of state-owned insurers and reinsurers. Many jurisdictions do not have skills to conduct such an assessment but do have concerns arising from their ownership of insurers with significant market share or through state-owned or prescribed reinsurance arrangements.
13. **Solvency and Capital:** The World Bank can provide support on short-term capital forbearance initiatives, risk management assessments, and stress-testing obligations on insurers is to be expected.
14. **Asset Liability Management and Risk-Based Capital:** Beyond overall capitalization questions, specific attention is needed on how asset risks and “asset-liability management” is addressed, incentivized and managed within the supervisory regime and within insurers. In many jurisdictions, falling and very low interest rates, combined with real-asset-market volatility may not be adequately addressed. In some jurisdictions, where asset markets are particularly underdeveloped, insurers rely on bank deposits, loans and property investments, creating unique concerns for insurers and supervisors.
15. **Strengthening regulatory oversight and risk management including ORSA regimes:** Regulators and supervisors will increase regulatory requirements, including readiness assessments and solvency tests like implementation of ORSA assessments. Some supervisors do need assistance in understanding and assessing business continuity plans and ORSA reports. Many developing countries would need assistance dealing with solvency issues. The WB can help them identify temporary insolvency and distinguish it from that which is likely to be permanent. There may be a need to develop a rescue operation or forced merger.
16. **Mentoring, training, and assisting supervisors in a more complex environment:** Solvency assessment is a critical skill in limited supply in supervisory agencies. If insurers experience high lapse, surrenders, and non-renewals, then they may realize more severe damage to profitability and be forced to take action that could further damage their balance sheet. Many developing country supervisors have little experience dealing with such a situation. The World Bank can also assist policymakers to respond to the increased focus on product exclusions including under business interruption and travel product lines.

In the medium term, the World Bank can expect to engage with client countries on:

- the development of nascent insurance sectors generally and with respect to individual product lines particularly health, life, and microinsurance;
- consolidation, right-sizing, and competition reviews and reform in insurance markets;



- realignment, reconfiguring or totally updating **solvency and capital regimes, risk management and ORSA requirements** and their supervision Supervisors will look to the Bank for support to recalibrate their solvency computation, including, but not limited to, those jurisdictions where we originally supported the development of the capital rules. Improving stress-testing scenarios for pandemics will be crucial, especially as they are not universal. Enhancements including pandemic risk, stress testing and risk capital need to have comprehensive scenarios that incorporate the secondary effects, including political and reputational risk, capital market and liquidity risk, operational risk, credit risk and insurance risk
- **Re-structuring regulatory reporting will be needed.** Insurance companies may be required to disclose the effect of COVID-19 on their business within financial statements or other filings.
- **Supporting the implementation of policyholder protection schemes** (the translation of deposit insurance in banking to protection in the insurance sector).



Annex 1 – Understanding Transmission Channels

This annex provides additional explanation of transmission channels regarding how the Covid-19 experience and associated economic disruption impacts the insurance sector.

Table 1: Insurance Transmission and Related Challenges

Product / Channel	Explanation
Term life type insurances	Increased mortality flows directly to claims costs for these products. In many cases, guaranteed renewability will imply this cost is significant in 2020 and may also have implications for future years as well.
Disability & accident and sickness type covers	Increased morbidity coupled with higher claims costs associated with constrained hospital supply will raise costs. Additionally, unemployment levels expected to increase claims.
Health insurance	Private health insurance will certainly be impacted by increased claims costs in the short term through higher volumes and higher costs. In addition, delivery of health services is critical to this product in the face of challenging health delivery generally in countries. Insurers have been responding by greatly expanding their initiatives in telehealth delivery, as well as waiving cost-sharing obligations on testing where governments have not done so directly. Cost implications extend beyond direct interventions for Covid cases. For example, health service supply constraints push up costs, and social upheaval is expected to impact mental health service demand.
Investment oriented life insurance (including retirement products before retirement age)	Lower rates of investment return are a significant negative for insurers, both in terms of actual cash flow costs and in present values for provisioning purposes. Some products have guarantees that have been unprofitable and are more so, as rates are lowered further. A slight offset comes from higher contract terminations, including higher mortality.
Annuities and other retirement products in payment	The potential for mortality increases might appear to be an immediate financial gain for insurers, but many of these products have guarantees that would mean the “benefit” to insurers may be less than might be assumed.
Travel insurance	Usually a profitable class of business, even “too profitable” to a level that creates reputational risk, this class of insurance may have become more attractive given the uncertain travel outlook. However, some reports have highlighted the impact of exclusions. Some products do not provide for travel when official travel advisories are severe. In others, pandemic declarations can restrict claim eligibility. To illustrate the granularity of the issues, they vary depending on whether the insurance was purchased before the outbreak or not, and whether the relevant travel is current or remains planned for the future.



Product / Channel	Explanation
Motor insurance	Particularly in less-developed insurance markets, motor insurance can be the largest class of non-life business. The nature of risk has sharply changed since February, as domestic road use has declined sharply in many countries as a result of public health measures. At the same time, changed economic circumstances will also be altering commercial road use. Initial evidence of reduced risk implies that this class of business is a near term positive contributor to insurer resilience. In the longer term, however, it is likely that renewals will reset and reduced economic activity will flow through to a shrinkage in the size of the portfolio, with commensurate reductions in contributions to expenses. In addition, changes in work patterns may mean that some clients change their vehicle use and location in a way that was not anticipated under the policy. Some authorities have asked that insurers take this into account sympathetically to ensure continuation of coverage.
Household property insurances	Homes are being converted to workplaces, and some people are being forced to live elsewhere for periods that are outside their control. Continuation of coverage is an important market conduct issue for properties that are effectively unoccupied and for personal possessions that are not in their normal location for periods outside the control of the insured.
Business interruption	Many business coverages include not only the impact of the risk, but some remediation of the cost of interruption to business viability. At the same time, and with reputational and market conduct risk implications, many business interruption policies would exclude virus-related losses.
Cyber Risk	Over recent years, insurers have started to provide cyber-risk insurance. The global market for cyber-risk insurance is estimated at \$US 3 to 5 billion in premiums in 2019 ⁷ . The main underwriters are large US and European domiciled insurance groups, and Lloyds with coverage being provided to large organizations directly and to smaller entities often as part of packaged cover. Data for pricing is growing. Hitherto, the product has been reported as profitable, but the sector is cautious about the outlook given the higher than usual uncertainty of tail risk. Commentary on the potential for cyber breach has been raised by both industry and official agencies since the outbreak began.
Commercial insurances	With altered risk profiles during periods of changed working conditions and the potential need for ongoing liquidity, customers may seek to reduce their coverage and obtain refunds for cancelled cover. Although insurers are able to adjust cancellation terms, they will moderate these decisions with the desire to maintain ongoing customer relationships so could incur some negative impact from these events in the short term.
Reinsurance and Other Risk Transfer	Reinsurance and other risk-transfer instruments will provide direct relief for insurers with high claims costs. Global reinsurers headquartered in Europe, the United States of America, and Bermuda carry much of this burden. Additionally, a number of securitized instruments have been

⁷ Source: Staff estimates plus industry reports.



Product / Channel	Explanation
	issued to share this risk into capital markets and are expected to be triggered. The World Bank’s own pandemic catastrophe bond issued in July 2017 being one such example that is well known. It can be expected that insurance-linked securities will be of increased interest going forward, given this demonstration effect ⁸ . Insurers and their supervisory authorities are examining where coverage gaps may arise especially when there are definitional differences in pandemic exclusions under direct policies and reinsurance contracts.
Investments - Equities	Short-term volatility and falls in values does impact insurers; however, some markets have a greater share of contracts that share or pass this impact on to policyholders directly.
Investments – Fixed interest	Lower yields are generally negative for insurers. Sustained lower yields are particularly problematic as they crystalize reinvestment risks. In pursuit of higher yields given a prolonged low-interest-rate environment for some years, some insurers have taken more credit risk although largely remain investment grade. This implies that defaults on corporate bonds are a concern, but the far greater impact would come from downgrades in the portfolio to non-investment grade even absent material default events.

⁸ Aetna, AXA, Hannover Re, Munich Re, Reinsurance Group of America, Scor Re, and Swiss Re, have all issued volumes of life, health and mortality linked securities from as far back as 1998.



Annex 2 – Insurance Sector Vulnerability

To assist regulators in client countries, a set of indicators has been developed to assess the vulnerability. Indicators of vulnerability in national markets and the nature of the insurance sector are included..

Data covers:

1. The country risk profile, including, for example:
 - COVID risk experience to date and outlook, to position the near term expected experience of the country in terms of cases and deaths;
 - Population levels and structure, to reflect relative positions for countries with older or younger age profiles; and
2. The insurer risk profile, including, for example:
 - Insurance sector penetration, to reflect the exposure of the insurance sector to the wider country dynamics;
 - Insurance sector asset profiles;
 - Insurance sector prior profitability levels;
 - Insurance sector professionalism; and
 - Measures of insurer sophistication.
3. Broader risk categories including:
 - Economic indicators that impact both country exposure and impact as well as impact insurers and those that are more focused on one or other aspect.
 - Other country performance measures.

**Annex 3 – Insurance Sector Related Policy Measures and Interventions****Insurance Sector Related Policy Measures and Interventions (as of 6 April 2020)**

Region ⁹	Country	LOB	Authority	Measures
EAP	China	Health	The National Medical Security Administration	Medical insurance reimbursement policy for patients diagnosed with coronavirus. The provisions of the policy are as follows: <ul style="list-style-type: none"> • Medicines and medical services are temporarily included in the medical insurance funds; • Medical insurance department to pre-pay the funds for hospitals which are under centralized treatment.
EAP	China	Life and Pensions; Health	The China Banking and Insurance Regulatory Commission (CBIRC)	Simplification of the claim process and the procession of claim proceedings online; <ul style="list-style-type: none"> • Development of new products related to coronavirus.
EAP	China	Health	The China Banking and Insurance Regulatory Commission (CBIRC)	Set of new rules to regulate the industry sector and encourage insurers to develop long-term medical insurance packages. These long-term insurance contracts should state clearly the conditions that will trigger a change in their charges, including a significant rise in claims, inflation and drastic changes in China's insurance policies. These long-term products can only raise their charges from the fourth year of their contract periods and then change annually after that.
EAP	China	Health	The Hainan Government	Insurance product to cover losses incurred by businesses from coronavirus (province of Hainan). The Hainan government shall subsidize the premium of the 100 key businesses eligible to take the insurance by 70%. The six-month plan will cover companies for up to 200 million yuan (US \$28.6 million) in losses.
EAP	China	Life	The China Banking and Insurance Regulatory Commission	The approval and launch of low-priced life insurance products with CNY6.9 (US\$1.0).
EAP	China	Commercial Motor; Personal Motor	The Insurance Association of China of the China Banking and Insurance Regulatory Commission	Notice on extension of auto insurance coverage during epidemic (temporarily repeals the minimum one-month limit and the number of transaction requirements applicable to an insurance policy). The circular directs auto insurers to do the following: <ul style="list-style-type: none"> • Strengthen the support for the suspension of motor vehicles in Hubei Province by extending the protection period for motor vehicle insurance and commercial vehicle insurance policies, which took effect from January 23, 2020, until the end of the virus epidemic prevention;

⁹ Regions in this table include economies at all income levels based on <https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups>



Region ⁹	Country	LOB	Authority	Measures
				<ul style="list-style-type: none"> Increase convenience measures for underwriting claims services, online services, innovate fast contactless claims services, open green channels for auto insurance claims and simplify claims documents and processes.
EAP	China	Other	The State Administration of Taxation the Ministry of Finance and State Administration of Taxation	<p>Extension of tax declaration deadline and VAT relief to taxpayers based on COVID (dated February 28, 2020):</p> <ul style="list-style-type: none"> Introduced a VAT rate exemption for small-scale VAT taxpayers in Hubei Province on taxable sales and prepayments and a reduced rate of 1% to rest of the country from March 1, 2020, to May 31, 2020.
EAP	China	Life and Pensions	The Government of China	Companies in Hubei affected by coronavirus exempted from insurance fees of more than CNY500.0 billion (US\$73.3 billion) for firms paying pensions, jobless and work-injury insurance from February 2020 to June 2020.
EAP	China	Healthcare, accident and life insurance	China Banking and Insurance Regulatory Commission	Adjusted actuary rules for healthcare, accident and life insurance as well annuity insurance, which will help lower premiums for such insurance by 3% to 5%.
EAP	Hong Kong, China	Other	The Government of Hong Kong, Insurance Authority (IA)	<p>Temporary facilitative measures (until March 31, 2020):</p> <p>The measures apply to all qualifying deferred annuity policy and voluntary health insurance scheme products eligible for a tax deduction in the 2019–20 assessment year. The measures aim to enable potential policyholders to purchase selected products eligible for tax deduction from their insurance intermediaries without attending face-to-face meetings. The circular specifies the relief measures for targeted policyholders rolled out by individual insurers:</p> <ul style="list-style-type: none"> a grace period of premium payments extended up to 180 days; expanded medical coverage and relaxed hospital restrictions; simplified and expedited claim procedures; <p>IA extended the deadline for fulfilling related Continuing Professional Development (CPD) requirements by three months from 31 July to 30 October 2020 due to the limitation for licensed insurance intermediaries to attend CPD courses.</p> <ul style="list-style-type: none"> In February, the government of Hong Kong decided to transfer HK\$10,000 (\$1,270) to all residents financially affected by the virus outbreak.
EAP	Macao, China	All LOBs	Monetary Authority of Macao	<ul style="list-style-type: none"> Insurers submitted their contingency plans and special measures for mitigating the outbreak of COVID; the non-face-to-face selling life insurance arrangements (launched in February 2020); the solvency ratio monitoring through the monthly report.



Region ⁹	Country	LOB	Authority	Measures
EAP	Taipei, China	All LOBs	Financial Supervisory Commission (FSC)	<p>Requirements:</p> <ul style="list-style-type: none"> • all of the insurers' general managers to oversee the precautionary measure within their companies; • insurers to strengthen their information security management mechanisms to avoid hackers attacking the loopholes of information systems arising from the arrangements of remote working; • insurers to take contingency measures to enhance customer service, including deferral payment of insurance renewal premium, extension of insurance policy loan interest and a single contact person to deal with the service for the epidemic; • insurers to report the numbers of dead policyholders and claims result from epidemic of COVID weekly.
EAP	Indonesia	Health	The Ministry of State-Owned Enterprises	Bank Mandiri (major state-owned financial institution) had offered life insurance to health workers, including doctors and nurses, partaking in the efforts to fight the coronavirus. Bank Mandiri has offered insurance protection, totaling up to Rp1 trillion, for health workers. This insurance is provided through its subsidiary, AXA Mandiri Financial Services.
EAP	Japan	Health	The Government of Japan	Coverage for coronavirus medical testing under the 'national health insurance system'. The government is allowing people to undergo tests at hospitals or by contracted private testing companies without being referred by health centers.
EAP	Japan	Other	Financial Services Agency (FSA)	<p>Extension of a grace period for insurance policies for policyholders who face difficulties in paying premiums by the due date, or in renewing insurance policies before termination due to the spread of COVID.</p> <p>Setting up FSA's hotline to provide advice on financial services for consumers affected by COVID.</p>
EAP	Malaysia	Health	Life Insurance Association of Malaysia (LIAM) and Malaysian Takaful Association (MTA)	Health insurance or takaful coverage for COVID announced in Malaysia. LIAM and MTA mandate insurers to provide hospitalization coverage or treatment for policyholders infected with coronavirus.
EAP	New Zealand	Travel Insurance	The Insurance Council	Insurers must clarify the details regarding the travel insurance coverage to the policy holders due to coronavirus. The announcement also stipulates that travel insurance must also provide coverage for unforeseen events such as lost baggage or impact of weather conditions.
EAP	New Zealand	All LOBs	Reserve Bank of New Zealand (RBNZ)	<ul style="list-style-type: none"> • RBNZ will delay or slow down most of its regulatory initiatives for an initial period of six months (e.g. review of the Insurance (Prudential Supervision) Act 2010); • monitoring with regular updates on business continuity plans (BCP);



Region ⁹	Country	LOB	Authority	Measures
				<ul style="list-style-type: none"> supervisors are encouraging insurers with identified BCP weaknesses to strengthen them with some urgency; implementation of strengthened minimum solvency buffers for the life insurers.
EAP	Philippines	Health	The Government of the Philippines	The coverage of COVID testing costs , the expenses for quarantine, and isolation costs of patients infected with the disease are covered by the Philippine Health Insurance Corporation (Philhealth).
EAP	Philippines	Other	The Insurance Commission (IC)	<ul style="list-style-type: none"> further extend the deadline for the payment of premiums (local insurance companies, pre-need companies and health maintenance organizations); fast-track claims related to COVID-19 and make their processes easier for plan holders infected with it.
EAP	Philippines	Other	IC	IC has granted temporary reprieve from capital requirement to insurers (which had failed to meet end-2019 capitalization requirement) amid COVID hardships.
EAP	Singapore	Health	The Life Insurance Association of Singapore and the General Insurance Association of Singapore	<p>Health insurance coverage for COVID:</p> <ul style="list-style-type: none"> mandated integrated shield plans (Ips) and IP riders to cover the hospitalization expenses for coronavirus. The notice instructs other non-IP individual and group health insurance policies to cover the medical expenses related to the COVID.
EAP	Singapore	Health; Life	The Monetary Authority of Singapore (MAS)	<ul style="list-style-type: none"> Holders of life and health insurance policies will be allowed to defer premium payments for up to six months, while maintaining insurance coverage.
EAP	South Korea	Life	The Financial Supervisory Service	<ul style="list-style-type: none"> Insurers collectively confirmed that a policyholder would receive the accidental death benefits, if he or she dies due to the coronavirus, which is usually twice the amount of payout that the policyholder would otherwise receive. The financial authorities made a public announcement on this decision to ensure public awareness.
EAP	Thailand	Health; Life and Pensions;	The Office of Insurance Commission	Guidelines on life, health and travel insurance policies related to coronavirus in regard to coverage and benefits for death from the coronavirus, medical expenses resulting from COVID, expenses arising from travel.
EAP	Thailand	Life	The Office of Insurance Commission	<p>Premium waiver requirement for life and health policies related to COVID.</p> <ul style="list-style-type: none"> for policies with a grace period between February 2, 2020, and April 30, 2021, the insurer shall extend the grace period for the premium payment for sixty days from the original grace period; where the insured uses the surrender value to pay for the insurance during February 2, 2020, to April 30, 2021, insurers should exempt the interest applicable to the insured for up to six months;



Region ⁹	Country	LOB	Authority	Measures
				<ul style="list-style-type: none"> insurers must specify the insurance rates and the registrar approved rate must not exceed 10% of the policies effective from February 2, 2020, to April 30, 2021, and the protection of the policy coverage shall not exceed June 30, 2020.
EAP	Thailand	Other	The Government of Thailand	<ul style="list-style-type: none"> reduced the withholding tax from 3.0% to 1.5% effective from April 1, 2020, for companies who pay the tax through an electronic system. The rate will increase to 2% from October 1, 2020, to December 31, 2020.
EAP	Vietnam	All LOBs	The Ministry of Finance	Request to insurers to stop introducing and selling insurance packages related to COVID , issued on March 31, includes life and non-life insurance in compliance with the Directive No 16/CT-TTg on urgent measures to prevent and fight the disease. Many insurers had recently launched a number of insurance packages covering the virus with attractive costs and benefits. Some business teamed up with commercial banks to launch anti-COVID products.
EAP	Australia	Travel Insurance; Life and Pensions	The Insurance Council of Australia	<ul style="list-style-type: none"> announced coronavirus outbreak as an insurance catastrophe; the formation of taskforce to ensure that accurate claims data is captured; the insurers must clarify the details regarding the business interruption insurance, travel insurance and life insurance coverage to the policy holders.
EAP	Australia	All LOBs	Australian Securities and Investments Commission	<ul style="list-style-type: none"> reducing regulatory burden on insurers. This includes deferring non-essential information requests; developing a remote supervisory approach to monitoring insurers and setting expectations that is light-touch, agile and effective.
ECA	EU	All LOBs	The European Insurance and Occupational Pensions Authority (EIOPA)	<p>EIOPA statement on actions to mitigate the impact of COVID on the EU insurance sector to national competent authorities (NCAs)¹⁰:</p> <ul style="list-style-type: none"> business continuity: be flexible regarding the timing of supervisory reporting and public disclosure regarding end 2019; solvency and capital position: under Solvency II, EU insurance companies are required to hold sufficient eligible own funds on an on-going basis to cover their Solvency Capital Requirement.
				<ul style="list-style-type: none"> Statement on dividends distribution and variable remuneration policies: EIOPA urges (re)insurers to temporarily suspend all discretionary dividend distributions and share buy backs aimed at remunerating shareholders; insurance companies had to “take all necessary steps to continue to ensure a robust level of own funds to be able to protect policyholders and absorb potential losses”

¹⁰ See https://www.eiopa.europa.eu/content/eiopa-statement-actions-mitigate-impact-coronavirus-covid-19-eu-insurance-sector_en issued March 17, 2020.



Region ⁹	Country	LOB	Authority	Measures
ECA	Belgium	All LOBs	National Bank of Belgium, The Financial Services and Markets Authority (FSMA)	<p>Relief the burden on insurers:</p> <ul style="list-style-type: none"> • cancellation NBB 2020 stress test; • limit on-site inspections and focus resources on impact COVID; • defer supervisory guidelines, circulars; • defer implementation supervisory guidelines, circulars; • introduce more flexibility on reporting deadlines (postpone); <p>Warning on dividends and profit sharing; Prohibition of short selling.</p>
ECA	Croatia	Other	The Government of Croatia	<ul style="list-style-type: none"> • deferment of public contributions, specifically deferment of paying income and profit tax and contributions on wages for a period of three months and possibly an extra three months of grace period if necessary and after that these payments can be made in instalments of up to 24 months.
ECA	Croatia	All LOBs	Financial Services Supervisory Agency (Hanfa)	<ul style="list-style-type: none"> • banned for insurance companies to pay dividends as part of efforts to ensure there is enough liquidity in the country's financial system during the coronavirus crisis and following an earthquake that hit Zagreb. The validity of the decision is April 30, 2021, but it could be extended depending on the market situation.
ECA	Czech Republic	All LOBs	The Czech National Bank	<ul style="list-style-type: none"> • surveying all insurance companies and gathering ad-hoc information; • frequent in-house analysis of the market values of instruments held by insurance undertakings; • analyzing regulatory requirements that do not need to be fulfilled by the entities during this crisis situation.
ECA	Estonia	Health	Estonian Health Insurance Fund	Estonian Health Insurance Fund to cover virus-related expenses for uninsured people.
ECA	France	Other	The Government of France	Tax and social security contributions payments extended the payment deadline of taxes and social security contributions for the March 2020 due to coronavirus. The notice issued the typically applicable interest and penalties, and formal request or approval mechanism at the election and discretion of the enterprise. However, the announcement did not provide the applicable timeline for the suspended taxes and contributions.
ECA	France	All LOBs	The Autorité de contrôle prudentiel et de résolution (ACPR)	<ul style="list-style-type: none"> • preserving capital should be the insurers' priority, and insurers should stop paying dividends until October 1.
ECA	Hungary	Travel	The Hungarian Association of Insurers	Terms and conditions of travel insurance for people affected from coronavirus. The travel insurance shall not cover claims to the insured for infection carried from the region 'not recommended for travel' by the Ministry of Foreign Affairs. The insurer shall refund the amount of premium paid by the insured for earlier purchased policy but does not travel.



Region ⁹	Country	LOB	Authority	Measures
ECA	Italy	All LOBs	The Italian Insurance Authority (IIA)	<ul style="list-style-type: none"> issued several guidance and notices to relax regulatory requirements such as periods for handling complaints and information requests and extend the term to submit regulatory documents and reports.
ECA	Italy	All LOBs	Italian Institute for the Supervision of Insurance (IVASS)	<ul style="list-style-type: none"> professional trainings are carried out at distance; extension date to submit the report on the insurance distribution network (to March 20, 2020); the report on claims and the relevant documentation (to March 29, 2020); the term to implement home insurance is postponed to July 1, 2020; extension period for insurers to respond to complaints within 75 days (instead of 45 days), respond to requests for information from customers within 35 days (instead of the 20 days).
ECA	Lithuania	All LOBs	The Bank of Lithuania	<ul style="list-style-type: none"> reviewing stress testing and impact for undertakings in ORSA reports; request of the measures that were taken to cope with the consequences of the COVID; request to provide information on the potential impact for the insurance portfolio, indicating insurance products affected and scale of the impact with regard to premiums written, contracts concluded and claims.
ECA	Lithuania	All LOBs	The Bank of Lithuania	<ul style="list-style-type: none"> adopted an urgent amendment to the Republic of Lithuania Law on the Bank of Lithuania, giving the green light for more financial institutions to apply to the central bank for liquidity loans. The Bank of Lithuania intends to provide liquidity assistance to financial institutions that are significant for the effective operation of the country's financial system and can secure loans by adequate collateral, in case they have already exhausted all other options, including borrowing from banks or other market participants, as well as used their shareholder contributions.
ECA	Montenegro	All LOBs	The Insurance Supervision Agency (ANO)	<ul style="list-style-type: none"> Recommendation to the insurance companies not to use the profit they made last year and in the previous period to pay dividend to its shareholders, but to reallocate it for maintenance and strengthening of their own capital position. The ANO Council has adopted a series of recommendations for the insurance companies, aimed at ensuring the flexibility of their approach to the insurance beneficiaries, amid numerous restrictions resulting from the coronavirus epidemic.
ECA	Montenegro	All LOBs	The Government of Montenegro	<ul style="list-style-type: none"> deferral of tax payments, payments of contribution on wages, payments of obligations under law on rescheduling
ECA	Moldova	Health	The Commission for Emergency Situations	<ul style="list-style-type: none"> Moldovan citizens and foreigners with a residence permit in Moldova who do not have the status of an insured person in the compulsory medical insurance system of the country will be required to purchase a medical policy in a fixed amount. The policy can be purchased through the state-owned electronic payment service MPay, by paying with a credit card, through Internet Banking, at terminals, banks and post offices. The General Inspectorate



Region ⁹	Country	LOB	Authority	Measures
				of the Border Police will check the accuracy of filling out the declarations and transmit them by e-mail to the National Health Insurance Company (CNAM). Border guards will weekly transmit to CNAM a list of people who arrived in the country by air.
ECA	Netherlands	All LOBs	The Ministry of Finance	<p>Tax measures:</p> <ul style="list-style-type: none"> • companies with liquidity issues due to the coronavirus can apply for a deferral of payment for income tax, corporate tax, VAT and payroll taxes. Deferral is provided when the request is received. • temporarily no penalties for failure to pay taxes (on time) will be imposed.
ECA	Norway	Other	The Government of Norway	Corporate tax regulations. The government took measures to avoid layoffs and bankruptcies due to coronavirus, allowing companies to re-allocate their losses and postpone payments of wealth tax.
ECA	Norway	All LOBs	The Ministry of Finance	The Ministry will not now lay down regulations on restrictions on the Norwegian financial institutions' access to distribute surplus funds but express a clear expectation that financial undertakings will wait for distribution of dividends.
ECA	Poland	Other	The Government of Poland	Self-employed and micro-entrepreneurs are exempted from social insurance ZUS premiums for three months if their revenues dropped by more than 50 percent in comparison with February.
ECA	Poland	All LOBs	Financial Oversight Commission (KNF)	<ul style="list-style-type: none"> • to withhold dividend payouts for 2019 in order to boost resilience during the expected economic crisis.
ECA	Portugal	All LOBs	The Insurance Association of Portugal	<p>Recommendations for insurers to prevent ongoing spread of coronavirus infection. The following measure shall be taken for an issue related to risks coverage:</p> <ul style="list-style-type: none"> • health insurance: mobilizing the customer service to answer questions and support diagnosis as well as the costs of diagnostic tests; • life insurance: the accident occurred during work from home shall be considered as occupational accidents, under the terms of the legislation; • travel insurance: insured infected from COVID are recommended to consult their insurer.
ECA	Russian Federation	All LOBs	The Ministry of Finance	<ul style="list-style-type: none"> • offered the list of strategic enterprises, which may include Rosgosstrakh, VSK, Ingosstrakh, SOGAZ, RESO-Garantiya, Soglasie, MAKS Insurance, Renaissance Insurance, Energogarant, UGORIA Insurance, VTB Insurance, AlfaStrakhovanie, and Russian National Reinsurance Company. After the list is approved, companies will be able to count on state support. According to the Ministry of Finance, these structures have a significant impact on the stability of financial markets.
ECA	Serbia	All LOBs	The Serbian Central Bank (NBS)	<ul style="list-style-type: none"> • issued its recommendation to all insurers to postpone insurance premium payments to citizens, due to the current challenges caused by the coronavirus.



Region ⁹	Country	LOB	Authority	Measures
ECA	Spain	Agro insurance	The Ministry of Agriculture, Fisheries and Food, the State Entity of Agrarian Insurance (ENESA)	<ul style="list-style-type: none"> to extend by 20 calendar days the end date of the subscription periods for agricultural insurance that end before April 16, 2020. This expansion affects the productions and areas such as the production of grapes for winemaking, cherry, fodder crops, industrial textile and non-textile crops, and table grapes.
ECA	Slovakia	All LOBs	National Bank of Slovakia	<ul style="list-style-type: none"> ad hoc reporting on impact of Covid on insurance business; adjustment on business continuity plans; postponed regular supervisory reporting in order to let undertakings more time to elaborate supervisory reports due to working from home offices and therefore possible problems with remote access to databases; consumer protection monitoring in terms of claims settlements taking into consideration current situation.
ECA	Sweden	Other	The Government of Sweden	Postponement of payment of social security contributions and preliminary tax due to COVID proposed in a further amendment in budget bill 2020. The proposal postpones company's payment of employers' social security contributions and preliminary tax by one year. The deferred payment shall be for a maximum of two months, effective from May 1, 2020.
ECA	The United Kingdom	Travel	The Association of British Insurers (ABI)	<p>The ABI specified that all its member insurers providing travel insurers would provide help and support to the insureds, traveling overseas during coronavirus. The ABI member insurers shall do the following for insured individuals:</p> <ul style="list-style-type: none"> suggestion to the insured for compensation related to the canceled trip, holidays to travel abroad; consider all valid travel insurance claims quickly and reasonably for costs arising from cancellation, travel disruption; help to transfer the travel insurance to a new destination for alternative travel plans.
ECA	The United Kingdom	All LOBs	The Financial Services Authority	'Expectations of firms – Insurance and coronavirus' calling for insurers to show flexibility in their treatment of customers. The guidance stressed the need for adequate operational resilience, business continuity, consideration of staff absences, and to notify the FSC of any issues that they anticipate. Specific product guidance was provided for travel insurance, motor, home, and private medical covers ¹¹ .
ECA	The United Kingdom	All LOBs	The Prudential Regulation Authority, the Bank of England	Support market functioning: in response to the material fall in government bond yields in recent weeks , the PRC invites requests from insurance companies to use the flexibility in Solvency II regulations to recalculate the transitional measures that smooth the impact of market movements.

¹¹ First published on March 19, 2020, see <https://www.fca.org.uk/firms/insurance-and-coronavirus-our-expectations>



Region ⁹	Country	LOB	Authority	Measures
LAC	Brazil	Other	National health surveillance agency ANS	No cancellation or suspension the contracts of those that default on payments during the coronavirus pandemic. These measures cover around BRL 15bn (<i>EUR 3.39bn USD 3.91bn</i>) and include the potential use of funds currently reserved as guarantees.
LAC	Barbados	All LOBs	The Financial Services Commission	FSC has issued an instruction communicating focusing on: <ul style="list-style-type: none"> • business continuity to requests for regulatory guidance that may arise including filing deadlines; • onsite inspections through video conferencing facilities; • rules regarding face to face meeting obligations and submission of non-electronic documents.¹²
MENA	Oman	Motor, All LOBs	The Capital Market Authority (CMA)	<ul style="list-style-type: none"> • urged insurance companies to provide the coverage even if the driving license of the insured is expired until the end of the epidemic and to provide indemnity in traffic accidents even if the license is expired; • announced a number of precautionary measures in guidelines related to the insurance sectors to curb the spread of the coronavirus. • issued a circular to all insurers to suspend manual transactions in insurance services including the closure of counters and provide the service electronically to render the service remotely to the customers.
MENA	United Arab Emirates	Health	The Dubai Health Authority	Hospitals to provide free treatment for patients infected with coronavirus. The circular stipulates that all health facilities must classify coronavirus cases into two categories, such as insured patient and uninsured patient: <ul style="list-style-type: none"> • for an insured patient, hospitals must treat the cases as emergencies and insurers will bear the health costs; • for an uninsured patient, hospitals must also categorize and treat this as emergencies. However, payments shall not apply for the incurred expenses to the patients with suspected or confirmed cases.
SSA	Kenya	Other	The Government of Kenya	Tax measures: <ul style="list-style-type: none"> • reduced corporate income tax rate from 30% to 25% for the year 2020; turnover tax rate from 3% to 1% for micro, small, and medium enterprises and the VAT rate from 16% to 14% effective from April 1, 2020.
SSA	Nigeria	Life	The Nigerian Insurers Association's (NIA)	<ul style="list-style-type: none"> • announced a donation of N1 million free life insurance cover to each of the health workers and allied professionals catering for the needs of COVID patients (through the collective contributions of insurance companies in Nigeria).

¹² See <http://www.fsc.gov.bb/index.php/en/component/jdownloads/summary/47-public-notice/1038-covid-19-impact-response> issued March 20, 2020.



Region ⁹	Country	LOB	Authority	Measures
SSA	South Africa	Other	The Minister of Employment and Labour	<ul style="list-style-type: none"> • deferral of contributions for distressed companies who are forced to temporarily lay off workers in response to COVID; • Short-term Training Layoff scheme to be used in cases of temporary business closures. Scheme provides 75% payment for the employee for up to 6 months.
SA	India	Health	The Insurance and Regulatory Development Authority of India (IRDAI)	<p>Guidelines for settlement of claims arising from COVID. The guidelines direct insurers to design products to cover the costs of treatment for COVID and follow the norms for all claims reported under COVID:</p> <ul style="list-style-type: none"> • promptly handle cases related to COVID; • settle the costs of admissible medical expenses during the quarantine period according to the terms and conditions of the policy contract and the existing regulatory framework; • carefully review all the claims reported under COVID before repudiating the claims.
SA	India	Other	IRDAI	<p>IRDAI eases burden on policyholders in times of COVID:</p> <ul style="list-style-type: none"> • life insurance companies have been asked to enhance the 30-day interest-free grace period for payment of renewal premiums by an additional 30 days if desired by the policyholders; • allow Board meetings due till June 30, 2020 to hold through video conferencing or other audio-visual means; • provide further relief, insurers and insurance intermediaries have been granted additional time of 15 days for submission of monthly returns for the month of March 2020. Similarly, an additional period up to one month will be permitted for filing of quarterly returns.
SA	India	Other	IRDAI	<ul style="list-style-type: none"> • issued related instructions to insurance companies, allowing travel insurance policyholders to extend the start/end dates of policies valid between March 22, 2020, and April 30, 2020. This means that policyholders may soon get an option from insurers to extend their travel insurance policy dates without paying extra charges to ensure that the impact of the coronavirus pandemic on their travel plans and finances is cushioned.
SA	Pakistan		The Securities and Exchange Commission of Pakistan (SECP)	<p>Guidance to insurance companies for imparting maximum facilitation to insurance policyholders and claimants:</p> <ul style="list-style-type: none"> • to provide maximum relief and facilitation in all operational aspects related to insurance policies; • to use digital or online payment modes for receipt of insurance premium and disbursement of claim payments. SMS, emails, WhatsApp or mobile phones etc. for handling claims, delivery of policy documents, and issuance of pre-authorizations for treatment in hospitals; • waiving off non-mandatory documentary requirements for claims processing and use of alternative methods for verifying the authenticity of claims.



Region ⁹	Country	LOB	Authority	Measures
NA	Bermuda	All LOBs	The Bermuda Monetary Authority	<ul style="list-style-type: none"> revised reporting timelines (one-month extension for the submission of the year-end regulatory filing); relaxed the obligation on some entities to hold face to face board meetings given travel constraints.
NA	Bermuda	All LOBs	Ministry of Finance	<ul style="list-style-type: none"> emergency measures include financial assistance to those individual facing employment income disruption, fiscal support for business facing financial pressures, deadline and conditions relaxations in tax and banking matters for individuals and business.
NA	Canada	All LOBs	The Office of the Superintendent of Financial Institutions (OSFI)	<ul style="list-style-type: none"> OSFI established a Coronavirus Working Group (in late January); The focus <u>for smaller financial institutions</u> is on BCP and employee communications. For <u>medium and large-sized institutions</u>, the WG is gathering more detailed information on pandemic stress testing plans and maintaining regular contact; Large life insurers are engaged in frequent discussions with OSFI lead supervisory teams.
NA	Canada	All LOBs	(OSFI)	<p>Regulatory changes to alleviate the pressure:</p> <ul style="list-style-type: none"> specifying that under regulatory capital requirements, payment deferrals will not cause insured mortgages to be treated as delinquent or in arrears, consistent with expectations for financial institutions; suspending semi-annual progress reporting on the implementation of new accounting standards, notably, IFRS 17.
NA	The USA	Health	The Federal Government, The Department of Health and Human Services	Health insurance coverage for coronavirus tests proposed in the US through private insurers and Medicare/Medicaid. Designation of coronavirus test as an 'essential health benefit.' The government announcement aims to cover the out-of-pocket cost incurred by insured citizens for coronavirus tests.
NA	The USA	All LOBs	The National Association of Insurance Commissioners (NAIC)	<p>State insurance departments have taken steps to protect consumers/policyholders:</p> <ul style="list-style-type: none"> prohibiting health insurers from imposing cost sharing, including co-pays, co-insurance, and deductibles, for treatment and testing related to COVID; encouraging use of telemedicine by covering at a lower cost-sharing point; allowing for extra prescriptions in light of a state emergency declaration; ordering insurers to adjust claims remotely and seek to meet normal claims handling time frames; requesting extended grace periods for insurance premium payments; state health exchanges opening special enrollment periods for uninsured people; issuing expectations on travel insurance coverage.
NA	The USA	Other	The Federal Government	<p>'Families First Coronavirus Response Act':</p> <ul style="list-style-type: none"> testing for the coronavirus free to the public (no deductibles or copayments);



Region ⁹	Country	LOB	Authority	Measures
				<ul style="list-style-type: none"> • unemployment benefits (with nearly US\$1 billion in state grants to cover processing and paying unemployment insurance); • nutrition assistance: an emergency food assistance program that will be available through September 30, 2021 (US\$400 million); the Special Supplemental Nutrition Program for Women, Infants, and Children (also known as WIC); • provide up to 12 weeks of job protected leave—10 of which are paid; • requirement for employers with fewer than 500 employees to provide up to 10 days of paid sick leave at the employee’s regular rate of pay to quarantine or seek treatment related to COVID. • provides employers certain tax credits with respect to payments required under this new law. • These provisions will take effect not later than 15 days after enactment, i.e., April 2, 2020, and are scheduled to terminate December 31, 2020.
NA	The USA/ New York	Travel	The New York State Department of Financial Services (NYDFS)	Travel insurers to offer ‘cancel a trip for any reason’ option to the insured , including coronavirus related issues. The NYDFS guidelines for travel insurers and agents aim to provide reassurance to businesses and residents planning to travel to the locations not currently under travel advisories due to COVID.
NA	The USA/ New York	All LOBs	NYDFS	Submission of business continuity plan. DFS required that insurers submit their plans of preparedness to manage the risk of disruption to its operations and the financial risk arising from COVID.
NA	The USA/ New York	All LOBs	NYDFS	DFS issued a guidance to urge all insurers to alleviate the adverse impact caused by COVID, including: <ul style="list-style-type: none"> • offering payment accommodations; • working with consumers to avoid cancellation and non-renewal of insurance policies; • increasing resources as necessary to accommodate increased claim submissions and increased inquiries; • preparing clear and concise descriptions of coverage benefits that may be triggered as the COVID situation continues to evolve; • providing flexibility regarding proof of death, disability, etc.