

PRESS RELEASE

JANET NAPOLITANO
GOVERNOR



CHARLES R. COHEN
DIRECTOR

ARIZONA DEPARTMENT OF INSURANCE

2910 North 44th Street, Suite 210, Phoenix, Arizona 85018-7256 · (602) 912-8456 · FAX: (602) 912-8452
www.id.state.az.us

Media Contact: Erin Klug
Public Information Officer
(602) 912-8456

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Director of Insurance Urges Insurers to Accommodate Deployed Policyholders **Acts in furtherance of Governor's Executive Order**

On March 19, 2003, Governor Napolitano issued Executive Order 2003-10, "Ensuring Benefits and Protections for Arizona Servicemen and Women". Consequently, on April 9, 2003 Arizona Director of Insurance, Charles Cohen, issued a Regulatory Bulletin (available on our web site www.id.state.az.us) to insurers regarding the continuation of insurance coverage for United States military personnel, including the Reserves and National Guard, during periods when they have been deployed for military active duty anywhere in the world. The bulletin (No. 2003-04), is captioned "[Property and Casualty Insurance; Insurance Protection For Policyholders Who Have Been Deployed For Military Duty; Coverage Continuation and/or Coverage Suspension](#)". It urges property and casualty insurers and producers to work closely with policyholders who have put aside their personal and professional interests in order to serve their country.

The bulletin asks insurers to do the following with regard to property and casualty insurance policies such as automobile, homeowners, medical malpractice, and small business:

1. Notify policyholders, as soon as practicable, that if they have been deployed they may designate an adult third party to serve as an attorney-in-fact to receive bills, notices, and other correspondence related to the policyholder's insurance coverage.
2. Provide policyholders with an option to suspend or remove insurance coverage, without penalty, while deployed for military duty.
3. Give a credit or premium refund for the suspension or removal of coverage and reinstate full coverage without penalty when the policyholder returns from active duty.
4. Refrain from non-renewing policies of insureds in active duty status who keep premium payments current.

The Department of Insurance is also working with the Governor's Office on legislation that would expand and clarify the availability of health insurance for deployed reservists and their dependents upon the reservists' return to civilian status. In addition, this legislation would limit life insurers' ability to deny benefits to Arizona policyholders who die during a war from causes unrelated to the war and military service.

In the spirit of support for our deployed military personnel, the Director strongly encourages insurers to implement the above suggestions and to do whatever is within their prerogative to ensure that deployed policyholders are not penalized for their period of deployment.

Tips for deployed military personnel regarding their automobile insurance:

- Ask your insurance agent if your coverage can be temporarily suspended while you're away. (Suspension or removal of coverage can apply for deployed military personnel whose vehicles will not be driven, at any time, during their absences.)
- If your vehicle's coverage is not eligible for suspension, make arrangements to ensure that your premiums get paid. Tell your agent you'd like to designate someone to get your bills and insurance notices while you're gone.
- Seek a premium refund or credit on your policy for periods during which coverage was suspended.
- Ask your agent if your coverage can be reinstated at the time of your return rather than subjecting you to "reunderwriting" as a new applicant.

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