

COMMON GROUND



Working together to help Oregonians fulfill their financial goals

Administrator's Avenue



It is an understatement, but the past few months have been challenging. COVID-19 has affected our work, our communities, our neighbors, our families, and our friends – literally every aspect of our daily lives.

One of the biggest challenges has been the day-to-day focus it takes to meet the insurance and financial services needs of Oregonians. It has been four months since the first emergency orders were issued – sending us home to work, educate our kids, and slow the spread of the coronavirus.

During that time, the division has issued eight bulletins, five emergency orders, 19 webpages, and several guidance memos to help regulated professionals provide sustainable support to their Oregon customers during this pandemic.

As the acting administrator for the Division of Financial Regulation, I am encouraged by the collaboration that takes place between this division and our regulated businesses and professionals. The ability to communicate with each other and find a common ground in the midst of this ongoing crisis has been essential to helping Oregonians find the peace of mind they need to focus on their health and to keep their loved ones safe.

This issue of Common Ground highlights a lot of the work that has taken place over the recent quarter, from insurance emergency orders and agreements to COVID-19 scams and mortgage resources. This issue highlights the wide range of necessary steps we have taken together to meet the insurance and financial services needs of Oregonians.

As always, the Division of Financial Regulation appreciates your collaboration for the benefit of Oregonians.

Enjoy this edition of Common Ground.

Lou Savage
Acting Administrator
Oregon Division of Financial Regulation

CONTENTS



Emergency orders

3



one-time grace

4



Financial exploitation

5



Fraud rising

6



Auto insurance refunds

8



Mortgage resources

9



Preliminary rate decisions

10



Division joins task force

11



Bulletins

12

Division issues emergency orders for most common types of insurance

Grace periods for insurance emergency orders:

*The order allows for a one-time grace period to pay a past due premium

Type of insurance	*Minimum length of grace period	Length of time claims will be paid during grace period
Health	60 days	30 days
Life and disability	90 days	90 days
Long-term care	60 days	30 days
Property and casualty	60 days	60 days

The Oregon Department of Consumer and Business Services’ Division of Financial Regulation issued emergency orders for property and casualty, long-term care, and life and disability insurance. The orders mean that the most common insurance policies, such as auto, home, term and whole life, and long-term care have one-time minimum grace periods to pay premiums and protect consumers by mandating how long claims must be paid. [See this chart for details.](#)

“Grace periods are an important resource for people during this pandemic, and the assurance that claims will be paid provides critical peace of mind,” said Andrew Stolfi, insurance commissioner and DCBS director. “It is encouraging to see insurance companies provide grace periods and coverage while Oregonians work to keep their insurance premiums current and the state works to reopen.”

These orders transition the most common insurance policies from rolling 30-day grace periods established by the original March 25 emergency order to specific grace periods and specific number of days that claims must be paid for each type of insurance.

This process provides two important protections for Oregon consumers:

- A sustainable way for insurance customers to keep

up with premium payments without falling too far behind.

- Insurance protection for a specific number of days for customers that are in a grace period.

In addition to these orders, the department issued a similar order for [health insurance](#).

Oregonians are encouraged to visit the division’s [COVID-19 consumer page](#) for more information on these orders and several other insurance and financial services topics. Industry professionals can visit the [COVID-19 regulated businesses page](#) for more information on recent orders and guidance issued by the division.



State of Oregon reaches telehealth agreement with health insurers



The State of Oregon reached an agreement with several health insurance companies to continue providing expanded telehealth coverage through at least Dec. 31, 2020.

The agreement follows [guidance issued by the Department of Consumer and Business Services and the Oregon Health Authority](#) in late March requiring health insurance plans of all types to provide coverage for multiple telehealth platforms at the same rate as an in-person visit to limit in-person health care services.

This means health insurance companies will continue to provide coverage for expanded telehealth services for Oregonians and pay for these services at the rates they established during the COVID-19 pandemic.

“Our health insurance companies continue to step up. This agreement is an important one for our state,” said Andrew Stolfi, insurance commissioner and DCBS director. “It means Oregonians can get the critical health care services they need, and providers will continue to get paid for providing this important care, while we all work together to minimize the spread of the coronavirus.”

[These 10 insurance companies have agreed to provide expanded telehealth services through the end of the year.](#)

Gov. Kate Brown complemented the state’s insurers, “Throughout this pandemic, telehealth has provided Oregonians with essential access to health care services that otherwise might have been unavailable or required the risk of an in-person appointment. It has transformed how many people have accessed behavioral health services. I’d like to thank Oregon’s insurers for partnering with us in this agreement, which gives us the opportunity and the time to develop more permanent telehealth policies with appropriate flexibilities during the 2021 session.”

In addition to the 10 companies, the Oregon Health Plan will continue to offer pay parity and other allowances for many telehealth services, offering the same rate as an in-person visit for physical health services, behavioral health services, and some dental and long-term care services.

It is important to note that this agreement does not apply to self-insured plans. The state encourages self-insured plans to cover expanded telehealth services for members. These are plans in which an employer assumes the financial risk of providing health care benefits to its employees. Oregonians who have a self-insured plan should check with their employer about their coverage options.

Oregonians are encouraged to contact their insurance company or health care provider if they have questions about using telehealth services.

Oregonians are encouraged to visit the division’s [COVID-19 telehealth page](#) for more information. Industry professionals can visit the [COVID-19 regulated businesses page](#) for more information on the telehealth guidance issued by the division.

COVID-19 takes toll on financial exploitation reports



Reports of financial exploitation of vulnerable Oregonians continue to drop due to COVID-19. According to the Oregon Department of Human Services' (DHS) Adult Protective Services, reports of financial exploitation have dropped by as much as 40 percent from last year.

The department also has fewer mandatory reporters providing abuse reports. Data show approximately 60 fewer professionals submitting reports during COVID-19 than the same time last year. This drop mirrors the reporting trends experienced in all forms of abuse, as COVID-19 orders and physical distancing standards limit the number of people interacting with vulnerable populations, such as seniors, disabled, or unemployed.

These drops in reporting come at a time when scams are on the rise.

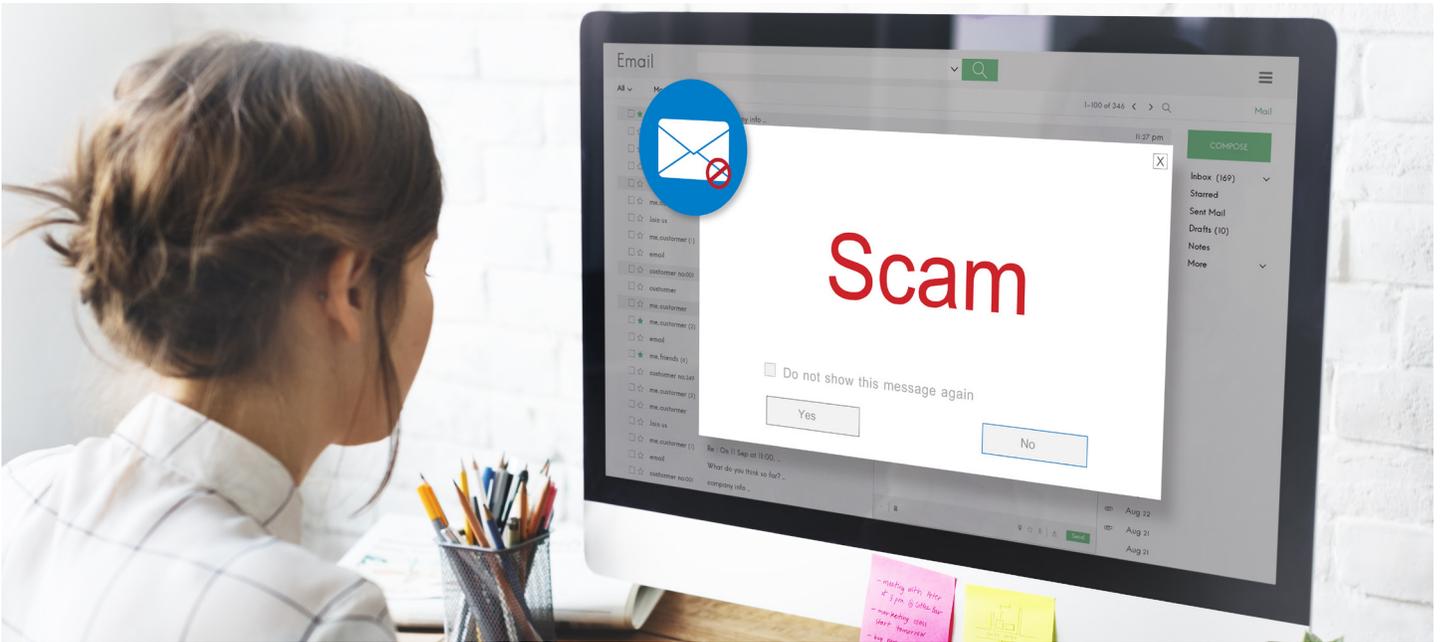
Qualified individuals who are securities industry professionals are [mandatory reporters for suspected financial exploitation](#). Qualified individuals are defined in state law as broker-dealer salespersons, investment advisor representatives, and people who serve in a supervisory, compliance, or legal capacity for a broker-

dealer or state investment advisory firm. People who meet this definition of a mandatory reporter are encouraged to use the Division of Financial Regulation's [online financial exploitation report form](#) to help protect their clients from financial fraud.

People who suspect financial fraud of a vulnerable Oregonian taking place, but do not meet the qualified individual definition, should call the DHS safe line, 855-503-SAFE (7233), to file a report.

In addition to being vigilant of financial fraud, resources are available to share with people struggling to meet daily needs. Anyone can call 855-ORE-ADRC (673-2372) to speak with the Aging and Disability Resource Center for services such as housing, food, transportation, legal help, and in-home support. People can also find resources by dialing 211 on their phone or visiting [211info.org](#)

For more info about financial exploitation, visit the division's [financial fraud and exploitation](#) webpages.



Fraud rising during COVID-19

Financial fraud has flourished the past few months as scammers use the coronavirus to scare people into sharing their personal information. Scammers are posing as government officials to steal stimulus checks, setting up fake sites selling personal protective equipment to steal financial accounts and money, and claiming to provide the secret cure for an outrageous price or investment.

For every reported case of elder financial exploitation, **43 go unrecognized.**

It's costing seniors \$2.9 billion a year. Let's get ahead of fraud and scams.

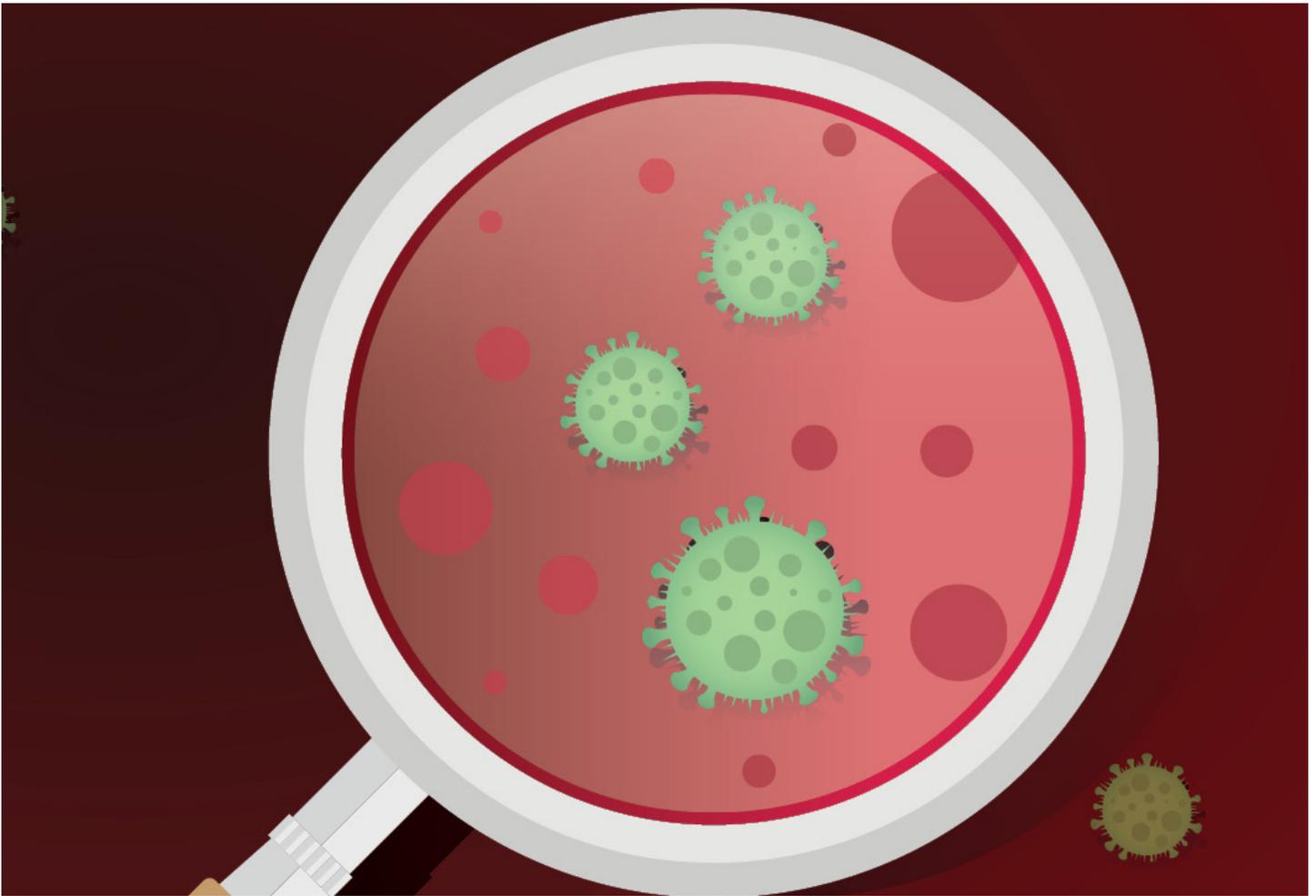
The Consumer Financial Protection Bureau reports that financial exploitation costs seniors approximately \$2.9 billion a year. This year, the problem is amplified by stay-at-home orders and physical distancing guidelines.

“Social isolation is one of the leading factors for financial exploitation of seniors,” said Lou Savage, acting administrator for the division. “The extended quarantine to protect against the spread of the coronavirus has left many Oregon seniors vulnerable to financial fraud.”

Recently, during [World Elder Abuse Day](#), the division shared five tips for recognizing financial abuse and three steps to help prevent it.

Five examples to watch for:

- A new and overly protective friend or caregiver, especially if the senior is considering surrendering financial control to the person.
- Fear of or sudden change in feelings about somebody.
- A lack of knowledge about financial status or reluctance to discuss financial matters.
- Sudden or unexplained changes in spending habits, a will, trust, or beneficiary designation.
- Unexplained checks made out to cash,



unexplained loans, or unexplained disappearance of assets (cash, valuables, securities, etc.). Also, watch for suspicious signatures on the senior's checks or other documents.

Three steps to prevent financial fraud:

- **Contact** – Stay in touch with older family members, friends, and neighbors. Call or leave a note on their front door. It is essential for them to know you are thinking of them.
- **Inform** – Make sure the older people in your life understand that fraudsters are using the pandemic to exploit them. You can share the division's information about [coronavirus scams](#) and its [tips to keep seniors safe from fraud](#).
- **Act** – Contact the division's advocacy team one of

three ways to report scams and potential senior financial exploitation:

- Call 888-877-4894 (toll-free)
- Email dfr.financialserviceshelp@oregon.gov
- Visit dfr.oregon.gov to file a complaint

Finally, financial services professionals are [mandatory reporters for suspected elder financial abuse](#) in Oregon. Agents, advisors, broker-dealers, and representatives can [request a Senior Safe presentation](#) to learn how to spot and report suspected elder fraud. They can also [file a suspected financial abuse report](#) on the division's website.

For more info about financial exploitation, visit the division's [financial fraud and exploitation](#) and [COVID-19 scams](#) pages.

AUTO INSURANCE

refunds and credits coming to Oregonians



Auto insurance refunds and credits for Oregonians

Several auto insurance companies have been working with the Division of Financial Regulation to provide auto insurance premium refunds and credits to Oregonians.

The refunds and credits are due to the reduced risk of auto accidents because of Gov. Kate Brown's Stay Home, Save Lives executive order. The division encourages all carriers to consider providing refunds that reflect the reduced risk of auto liabilities due to the emergency order. This includes taking steps to reclassify vehicle usage, and properly adjusting any mileage-based policy metrics.

In the spring, the division provided guidance to insurance carriers for issuing the refunds to help process the filings and get money to consumers as quickly as possible.

Here is a [list of the insurance companies](#) that have committed to provide refunds and credits to Oregon customers.

“Thank you to the insurance companies that have stepped up to provide these refunds to their customers,” said Andrew Stolfi, Oregon insurance commissioner. “Our division is proud to help insurance companies provide this much needed relief to Oregonians.”

Oregonians are encouraged to visit the division's [COVID-19 consumer page](#) for more information on these orders and several other insurance and financial services topics. Industry professionals can visit the [COVID-19 regulated businesses](#) page for more information on recent orders and guidance issued by the division.

Mortgage resources for homeowners affected by COVID-19



Recently, the division released a [step-by-step guide](#) to help people manage mortgage issues created by COVID-19. This resource and the [COVID-19 mortgages page](#) are free to share with family, friends, neighbors, and clients.

These pages provide frequently asked questions, homeownership resources, and up-to-date information about the Coronavirus Aid Relief and Economic Security Act (CARES), such as the recent foreclosure moratorium extension through Aug. 31, 2020.

They also encourage people to connect with their mortgage lender or loan servicer to work out forbearance plans or relief options that will ultimately keep people in their homes and avoid costly foreclosures.

Oregonians are encouraged to visit the division's [COVID-19 consumer page](#) for more information on their mortgages, loans, and financial services accounts. The site also provides insurance information and tips for avoiding COVID-19-related scams.

The Division of Financial Regulation has been encouraging its regulated lenders and financial service providers to take active measures to provide help to people and businesses affected by the pandemic. This includes offering loan forbearance plans, fee waivers, and other deferred payment options to their customers.



Preliminary rate decisions for 2021 health insurance rates



The Division of Financial Regulation announced that preliminary rate decisions for 2021 individual and small employer health insurance plans will remain as currently filed by the state's health insurance companies.

In the individual market, preliminary decisions for the six companies range from an average 3.5 percent decrease to an average 11.1 percent increase, for a weighted average of 1.8 percent. Under the preliminary decisions, Silver Standard Plan premiums for a 40-year-old in Portland would range from \$425 to \$466 a month.

In the small group market, the preliminary decisions for the nine companies range from an average 1.1 percent decrease to an average 7.0 percent increase, for a weighted average of 3.7 percent. Under the preliminary decisions, Silver Standard Plan premiums for a 40-year-old in Portland would range from \$335 to \$405 a month.

[See our chart for a full list of preliminary decisions.](#)

“Our transparent rate review process has been critical to understanding how health rates will be set for 2021,” said Andrew Stolfi, insurance commissioner and Department of Consumer and Business Services director. “We look forward to gathering more information from insurers and the public during the upcoming hearings before final decisions on 2021 rates are made.”

These preliminary decisions will undergo continued review and discussion. All Oregonians were encouraged to participate in the public comment period and view the virtual public hearings that took place earlier this month.

Visit the division's [health rate public hearing page](#), to review specific health insurance company rates.

Final decisions will be announced by early August.

Division joins task force to crack down COVID-19 investment scams



The Division of Financial Regulation has joined an international enforcement task force organized by the North American Securities Administrators Association (NASAA) to investigate investment fraud during the COVID-19 outbreak.

“We are proud to join our colleagues in NASAA’s COVID-19 Enforcement Task Force,” said Lou Savage, Division of Financial Regulation acting administrator. “COVID-19 investment schemes are a significant threat and fraudsters need to know that our division is dedicated to protecting Oregonians from these scams.”

The division is a member of NASAA, the membership organization of state and provincial securities regulators in the United States, Canada, and Mexico. The task force

consists of securities regulators and was formed to identify and stop potential threats to investors stemming from the COVID-19 outbreak. Task force members investigate websites and social media posts that may be promoting fraudulent offerings, investment fraud, and unregistered regulated activities.

A critical component of fighting fraud is investor awareness. Investors who see or suspect they fell victim to COVID-19-related investment scams can contact the division’s advocacy team at 888-877-4894 (toll-free).

To see the division’s recent enforcement actions check out the latest edition of [Taking Action](#).

BULLETINS

Looking for the division's recent enforcement actions? Check out the latest issue of [Taking Action](#) for up-to-date news about the division's enforcement efforts.

Rerating businesses that changed operations due to COVID-19 and suspension of field audits

Employers directing employees to work from home due to state-mandated public health measures may be eligible to assign payroll to a different classification code. It addresses when a change in classification code is appropriate for employees working from home, when insurers should rerate a business, and the suspension of field audits.

[Division of Financial Regulation bulletin 2020-09](#)

Payments to employees of businesses closed due to pandemics excluded from workers' compensation premium basis

Payments to employees furloughed or placed on administrative leave due to pandemic-related health measures shall be classified as vacation time and excluded from payroll reported for calculating workers' compensation premium basis.

[Division of Financial Regulation bulletin 2020-10](#)

Rate reductions and rebates to auto insurance policyholders

The division encouraged insurers to extend coverage for personal delivery drivers and provide temporary

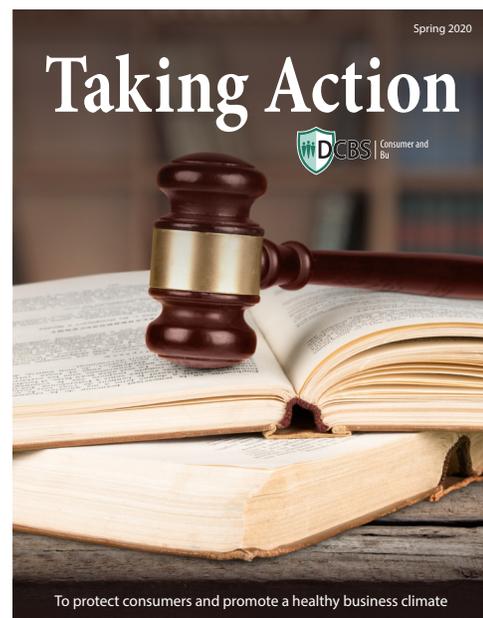
rate reductions during COVID-19. It also provides guidance for issuing midterm policyholder payments to insurance customers.

[Division of Financial Regulation bulletin 2020-11](#)

60-day advance notice of specified prescription drug price increases

House Bill 2658 (2019) requires manufacturers of prescription drugs sold in Oregon to provide a 60-day advance notice report to the Department of Consumer and Business Services on certain planned price increases.

It requires the notice on brand-name drugs with a cumulative increase of 10 percent or more or an



BULLETINS



increase of \$10,000 or more in the price of the drug. For generic drugs, it requires notice of a cumulative increase of 25 percent or more or an increase of \$300 or more.

[Division of Financial Regulation bulletin 2020-12](#)

COVID-19 pandemic and pawnbrokers

Licensed pawnbrokers are allowed to conduct business activities in compliance with state-mandated public health measures. Pawnbrokers need to consider limiting the number of people in the store, altering how certain products are sold, and follow advice from the Oregon Health Authority for the workplace.

The division also encourages licensed pawnbrokers to provide help to customers affected by the pandemic. Consider reasonable accommodations,

such as extending redemption dates, reducing interest rates, and reducing or waiving fees.

[Division of Financial Regulation bulletin 2020-13](#)

Providing assistance to debtors affected by COVID-19

The division encourages regulated debt buyers and collection agencies to provide help to debtors affected by COVID-19. Consider reasonable accommodations, such as deferring payments, extending due dates, adjusting loan terms, waiving late fees and nonsufficient funds fees, and suspending collection activities.

[Division of Financial Regulation bulletin 2020-14](#)

