

Winter 2021

# COMMON GROUND



**DCBS** | Consumer and  
Business Services

Division of Financial Regulation

Working together to help Oregonians fulfill their financial goals

# Administrator's Avenue



2021 is off to a frigidly fast start for Oregon's insurance and financial services industries. I commend all of our regulated partners for your dedication to serving Oregonians in the midst of the ongoing pandemic and the winter storms we have all experienced this year.

The work we do makes a difference. I applaud both you and our staff at the Division of Financial Regulation for the tireless hours of work and service you provide to so many Oregonians.

This edition of Common Ground highlights several programs, projects, and resources available from the division. I encourage you to check out some of our program work, such as the Innovation Hub. Read about the critical conversations taking place to help all of us better understand how to build more inclusive and equitable industries for Oregonians. These initiatives are born through collaboration and discussion from several public and private stakeholders.

Feedback and open discussion are key to finding actionable solutions that will make our industries more accessible for all Oregonians. The work we are doing is incremental and will continue to build. As administrator for the division, I encourage all of us to continue the open dialogue and to continue to search

for solutions. No matter how big or small, each step can be a step in the right direction.

To conclude, I want to acknowledge two of the most dedicated public servants I have had the pleasure to work with, J.P. Jones and Sara James.

J.P. Jones recently retired from state service. He gave 25 years to the State of Oregon. Before joining the division, he held multiple roles with the Oregon Youth Authority and the Department of Revenue. We were fortunate to have him serve as deputy administrator for the past seven years. Before state service, Jones served in the U.S. Army retiring as a Lt. Colonel. He was a generous leader who led by example and mentored many of us over the years.

The second person I want to recognize is Sara James. Sara lost her life in a car accident on Jan. 31. Her loss has saddened all of us at the division. She spent 15 years with us as a consumer advocate. She always brought a smile to the office, an eagerness to help her peers, and a warm heart to the thousands of Oregonians she helped. She was a dear friend to many of us and a true advocate for those who needed her help.

As always, we appreciate your collaboration and support of all Oregonians. Please enjoy this edition of Common Ground.

TK Keen  
Administrator  
Oregon Division of Financial Regulation

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# Division of Financial Regulation names new administrator and acting deputies



TK Keen is the new administrator for the Oregon Division of Financial Regulation. Keen has served as acting administrator since August, and succeeds Andrew Stolfi as the division's administrator.

Stolfi was appointed by Gov. Kate Brown to lead the Department of Consumer and Business Services, the state's largest business regulatory and consumer protection agency, last year. The Division of Financial Regulation is part of the department. Stolfi continues to serve as Oregon insurance commissioner, a role he has had since 2018.

Under Keen's leadership, the division has responded with agreements and emergency orders to help Oregonians affected by COVID-19 and wildfires.

In response to COVID-19, the division issued grace periods for consumers to pay insurance premiums. This created a sustainable way for insurance customers to keep up with premium payments without falling too far behind during the pandemic. The division also reached agreements with health insurance companies to provide expanded telehealth in response to COVID-19.

In response to the Labor Day wildfires, the division issued an emergency order suspending cancellations and nonrenewals of insurance coverage, creating a grace period for premium payments, and extending deadlines for people in the areas affected by the wildfires.

"Our work at the Division of Financial Regulation has been vital to Oregonians who were dealing with very difficult situations this year," said Keen. "I am proud to lead a division that is filled with caring and intelligent people who are dedicated to protecting consumers and working with the state's insurance and financial services industries to find efficient and logical methods to help Oregonians fulfill their financial goals."

Keen has been a deputy administrator with the Division of Financial Regulation since 2015. To fill the deputy vacancies left by Keen and the retirement of J.P. Jones, the division has appointed two of its managers, Alex Cheng and Kirsten Anderson, to acting deputy administrators.

Cheng served as policy manager for the division. He has been instrumental in preparing the division's legislative agenda and leading its rulemaking process since he joined the division in 2016.

Anderson has served as the licensing and nondepository program manager for the division. She is nationally recognized as an expert in mortgage lending and money transmission regulation. Anderson has been integral in helping start several national licensing programs and holds leadership roles with the Money Transmitters Regulators Association and the American Association of Residential Mortgage Regulators. Anderson joined the division in 1999.

Cheng and Anderson will serve as acting deputy administrators through the 2021 legislative session.

# Bias and artificial intelligence

An Oregon Division of Financial Regulation Innovation Fireside



The amount of data available to insurance companies has soared in recent years and continues to grow at astronomical rates. Data is necessary for predicting risk and effectively pricing the insurance products we all rely on. The algorithms used by insurance companies are dynamic tools for identifying correlations in massive data sets to help underwrite and price insurance policies.

Artificial intelligence provides great learning potential, but requires ethical accountability to ensure that unfair, discriminatory outcomes are eliminated from risk calculations.

Recently, more than 200 people joined the division for its first [virtual Innovation Fireside chat](#) about bias and artificial intelligence.

[Daniel Schreiber](#), co-founder and CEO of Lemonade; [Birny Birnbaum](#), director of the Center for Economic Justice; and [Cassie Soucy](#), senior policy advisor for the division; joined Andrew Stolfi, insurance commissioner and Oregon Department of Consumer and Business Services director, to hold a discussion and answer questions about artificial intelligence, data, and the possibility of building algorithms that

can perfectly predict risk. If you missed the event, the video is available on the division's [YouTube page](#).

In 2019, the division launched the [Oregon Innovation Hub](#) to help insurance, financial, and technology companies bring innovative products and services to Oregonians.

One goal of the Innovation Hub is to help drive thoughtful conversations about the future of these industries. In 2019, the division held its first Innovation Forum. The event brought together thought leaders and innovators from financial services and technology industries to talk about the future of these industries and how blockchain technology will shape how we pay for products and services, invest, and save for tomorrow.

The innovation forums are intended to drive conversation and networking opportunities for industry professionals. COVID-19 has altered this focus a bit, but it remains a place to drive meaningful conversation about the future and how the state can help support innovative ideas while ensuring new products and services are safe and equitable for all Oregonians.

# Eleven state insurance commissioners provide ACA policy recommendations to President Biden



Oregon joined a group of the nation's state insurance commissioners in a pledge to work with President Joe Biden by providing health policy recommendations to the new administration.

The commissioners share President Biden's vision that no American should have to go without health care coverage. They believe comprehensive and progressive health care is essential to addressing urgent public health priorities, such as the COVID-19 and opioid crises, addressing racial disparities in the health care system, and ensuring enforcement of mental health parity.

A [letter sent by the group of commissioners](#) detailed six immediate or critical policy recommendations and six longer-term recommendations for the Biden administration to consider.

## Immediate policy recommendations

- Ensure access to the federal marketplace, [HealthCare.gov](https://www.healthcare.gov), through a special enrollment period.
- Provide relief from Affordable Care Act (ACA) subsidy clawbacks created by COVID-19 uncertainty.
- Provide clarity on COVID-19 testing coverage requirements, especially in regard to tests that are ordered as part of state-based contact tracing efforts.
- Partner with states in actively focusing on programs and practices that address the needs of historically marginalized communities.

- Address problematic elements of the recently proposed Notice of Benefit and Payment Parameters for Plan Year 2022.
- Allow flexibility for states aiming to pursue progressive policy aims by empowering them to apply for ACA innovation waivers beyond reinsurance.

### Longer-term policy priorities

- Reverse policies, such as the weakening of nondiscrimination protections and the public charge rule, that undermine the ACA and deny health care coverage to many people.
- Encourage both people and small businesses to enroll in ACA programs, and stop encouraging enrollment in insurance plans that do not provide the ACA's most critical consumer protections.
- Improve income counting rules to allow consumers greater flexibility.
- Extend premium tax credits to Deferred Action for Childhood Arrivals (DACA) recipients so that legally present noncitizens have access to health care coverage.
- Modernize Department of Labor oversight of the Employee Retirement Income Security Act to ensure all health insurance coverage is held to similar standards.
- Consider a national reinsurance program to stabilize health insurance markets and improve affordability of health insurance coverage.

Enacting these policy recommendations will provide immediate relief to many Americans affected by the COVID-19 crisis, provide states with flexibility to strengthen health insurance markets, remove discriminatory barriers to health coverage, protect the coverage needs of Americans with pre-existing conditions, and ensure comprehensive health insurance access is available to all Americans.

The following state insurance commissioners developed these recommendations and are committed to working with the Biden administration on its national health care plan:

**Commissioner Andrew R. Stolfi**, Oregon

**Commissioner Ricardo Lara**, California

**Commissioner Michael Conway**, Colorado

**Commissioner Trinidad Navarro**, Delaware

**Commissioner Colin M. Hayashida**, Hawaii

**Director Anita G. Fox**, Michigan

**Temporary Commissioner Grace Arnold**, Minnesota

**Commissioner Jessica K. Altman**, Pennsylvania

**Health Insurance Commissioner Marie Ganim**, Rhode Island

**Commissioner Mike Kreidler**, Washington

**Commissioner Mark Afable**, Wisconsin





## Oregon extends telehealth agreement for health insurance

The State of Oregon reached an agreement with several health insurance companies to continue providing expanded telehealth options through at least June 30, 2021.

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 to provide in-network coverage for multiple telehealth platforms.

In June 2020, the state reached agreement with health insurance companies to continue providing expanded telehealth options, including payment to providers at the same rate as an in-person visit, through Dec. 31. This new agreement means health insurance companies will continue to provide coverage for expanded telehealth services and pay for these services at the rates they established during the COVID-19 pandemic.

“It is vital for Oregonians to continue to use telehealth services to limit physical contact during this public health emergency,” said Oregon Insurance Commissioner and Department of Consumer and Business Services Director Andrew Stolfi. “Telehealth allows for Oregonians to get important care, often from the comfort of their home. I want to thank

the insurance carriers that have joined us in this agreement to provide expanded telehealth services and pay parity for Oregonians.”

The following insurance companies have agreed to provide expanded telehealth services through June 30, 2021:

Cambia	Providence
Health Net	Regence
Kaiser Permanente	Samaritan
Moda	UnitedHealthcare
PacificSource	

In addition to these 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.

The division’s [COVID-19 telehealth page](#) provides more information for consumers and its [COVID-19 regulated businesses page](#) provides telehealth guidance for regulated entities.

# State and insurance companies reach agreement to extend rebuilding timelines for wildfire victims



The Oregon Division of Financial Regulation reached an agreement with several insurance companies to extend timelines to at least two years from the date of loss for 2020 Labor Day wildfire victims to rebuild homes and replace damaged personal property.

[These insurance companies](#) have signed on to the [rebuild timeline agreement](#).

“The ability to rebuild homes after a catastrophic event is often delayed by the need to effectively address safety hazards in the area and the increased demand on construction resources,” said Andrew Stolfi, insurance commissioner and director of the Department of Consumer and Business Services. “We are glad to see these companies agree to provide time for wildfire victims to effectively work through the recovery process.”

The agreement helps accomplish three things:

- It alleviates demand on construction resources in wildfire damaged areas

- It allows victims the ability to recover faster
- It helps control the cost of construction by extending the rebuilding timeframe

The agreement also includes waiving restrictions on where a person may rebuild their home, but does not include covering increased costs for rebuilding in a new location. This agreement does not extend the amount of additional living expense benefits available under a policy, nor does it alter any other terms of the policy contract.

The [division's wildfire insurance page](#) provides more information on this agreement, and resources for consumers, such as virtual town hall videos, and insurance claim tips.

# Division of Financial Regulation provides insurance tips for winter storm



Winter storms can cause several different types of damage. Extensive damage, such as trees falling on a home or car, may require immediate attention. However, minor damage, such as food spoilage, a few missing shingles, or a scratch on a car door, may not exceed a policyholder's deductible.

Recently, the Division of Financial Regulation updated its [storm insurance resources page](#) and shared the recommendations below for Oregonians who experienced winter storm damage.

## Homeowners insurance

A typical homeowners policy covers damage to the home caused by falling trees or limbs and weight of ice and snow.

For example, if your home sustained severe structural damage from a fallen tree or other storm debris, and it is deemed uninhabitable, you may qualify for [additional living expenses](#), which helps cover the extra costs of

lodging, meals, and even pet boarding while you are unable to live in the home.

If your home lost power and received only minor damage, it will probably still be considered safe to live in, so additional living expenses may not apply.

If your home received minor damage, such as the wind blowing a few shingles off the house, your homeowners insurance will probably replace the damaged shingles, but not the entire roof.

Winter storms can also create sudden damage caused by an ice dam on the roof or pipes bursting due to freezing. This type of damage is typically covered, and can be extensive if a pipe burst floods a home or minor, such as a leak from an ice dam causing a stain on a ceiling.

Coverage may be available for food spoilage due to the power outage. However, be sure to consider if the actual benefit from filing this type of claim is worth the potential effect it can have on your premium. Remember, if the loss is close to or less than your deductible you may not want to file a claim. If you need to file a claim for another type of damage to your home, food spoilage can typically be added to the claim you need to file for repairs.

## Auto

There are three coverage options on an auto insurance policy that typically apply to winter storms.

- **Comprehensive** covers damage caused by falling trees or limbs. This includes while your car is parked inside a garage.



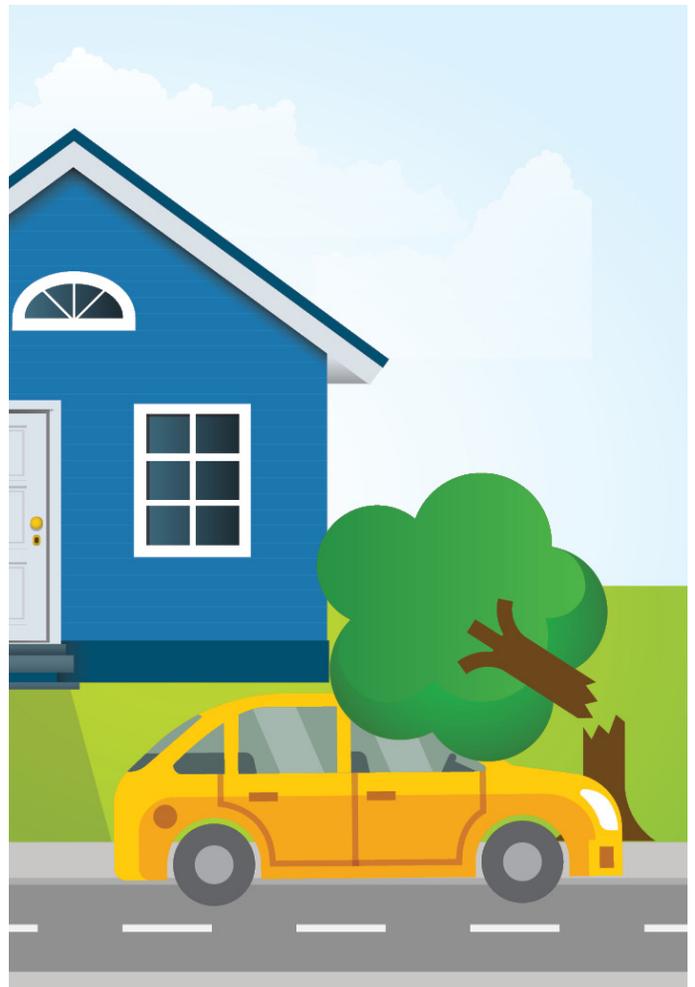
- **Collision** covers damage to your car that occurs while driving. This includes hitting storm debris or sliding on ice.
- **Liability** covers damage you accidentally caused to another person's property or to a person who is injured in an accident.

Once again, if the cost to repair your car is less than or close to your deductible, you may not want to file a claim.

Remember, the first step is to determine your policy coverage, exclusions, and deductibles. Call your insurance company or agent if you have questions about your policy, and take time to consider if the loss is extensive enough to file a claim.

If you still have questions or concerns, the division's consumer advocates are here to help. Oregonians can contact the division's advocates three ways:

- Call 888-877-4894 (toll-free)
- Email [dfr.insurancehelp@oregon.gov](mailto:dfr.insurancehelp@oregon.gov)
- Visit [dfr.oregon.gov](http://dfr.oregon.gov)



# \$850,000 in reimbursements to affected Oregonians through multiyear mortgage servicer investigation

The Oregon Division of Financial Regulation, working with state and federal partners, closed a multiyear investigation on Nationstar Mortgage LLC. Nationstar, doing business as Mr. Cooper, violated several mortgage origination and servicing-related state and federal laws.

The violations affected more than 115,000 people nationwide, and 601 Oregonians. Violations included charging illegal fees, missed tax payments from escrow accounts, failure to terminate private mortgage insurance, mishandling of loan modifications, and wrongful foreclosures.

The order includes repayment of approximately \$850,000 to the 601 Oregonians affected by Mr. Cooper's wrongdoing, and \$750,000 in civil penalties to be distributed among participating states and jurisdictions. Oregonians affected by the wrongdoing will be contacted by the settlement administrators about their repayment.

"The collaboration between our state and federal partners is what made this final order possible," said TK Keen, Division of Financial Regulation administrator. "We are glad to bring this to a resolution for all of the victims and especially for the 601 Oregonians affected by Mr. Cooper's illegal practices."

The coordinated agreement included four main penalties and organizational changes for Mr. Cooper:

1. Refunds and other repayments of approximately \$90 million to more than 115,000 consumers in 53 states and jurisdictions
2. Civil penalties and government reimbursement of more than \$6.5 million
3. Enhanced servicing standards for three years
4. Additional regulatory oversight and corporate

disclosure to ensure the company maintains adequate risk and compliance programs

The final order resolves all outstanding issues from the coordinated Consumer Financial Protection Bureau and state regulator examinations that began in 2014.

For more information on this settlement agreement, visit [State and federal regulators finalize Mr. Cooper misconduct investigation](#).

For more information on the division's insurance and financial services enforcement actions, visit its quarterly report page – [Taking Action](#).



# State requires insurers to cover COVID-19 vaccinations



particularly considering the economic challenges people have faced for the last year.”

Banks encourages providers to bill patients’ insurance for any vaccination costs and avoid asking or expecting patients to cover vaccine administration costs. Health care providers can visit the U.S. Department of Health and Human Services resource page – [CARES Act Provider Relief Fund](#) for more information.

The State of Oregon requires health benefit plans in Oregon to cover costs of vaccination for COVID-19, following [an order by state Public Health Director Rachael Banks](#). The Division of Financial Regulation recently provided [guidance to health insurers for covering COVID-19 vaccinations](#).

The Jan. 27 order from the state Public Health Director cites Oregon Revised Statute 743A.264 (2) and (3) in mandating that private health plans operating in Oregon not charge patients for most costs related to receiving the vaccine. That includes the cost of all doses of the vaccine and associated supplies, and expenses for administering the shot, such as those related to staff time.

The Oregon Health Plan and Medicare programs do not charge patients for costs of vaccinations.

“We are in the midst of a devastating pandemic that has affected more than 142,000 people in Oregon and claimed almost 2,000 lives,” Banks said. “There should be no financial barrier to getting the vaccine, whether it’s a copay or administrative fee. Even small costs can be a big burden for people with limited resources,

Oregonians who have questions about their insurance coverage are encouraged to contact their Coordinated Care Organization, insurance company or agent. If they still have questions or concerns, consumer advocates are available.

- Oregon Health Plan: Call Oregon Health Authority at 800-273-0557 (toll-free).
- Commercial insurance plans: Call the Oregon Division of Financial Regulation at 888-877-4894 (toll-free).
- Medicare: Call 800-633-4227 (toll-free).

## Vaccinations in Oregon

The Oregon Health Authority is providing daily updates on administered doses of COVID-19 vaccines in Oregon on its [vaccination data dashboard](#).

The dashboard provides weekday updates on the number of people vaccinated, both by state and by county, along with key demographic information showing the race, ethnicity, sex, and age of everyone who has been vaccinated.

# COVID-19 vaccine rolling out in Oregon

COVID-19 has changed our lives, our communities, and our world in ways we never imagined. Vaccines are arriving to help fight the pandemic.

Now that health care workers, educators, and many Oregonians ages 65 and older are vaccinated, the Oregon Health Authority has said that even more people will be eligible at the end of March. That includes older adults with underlying health conditions; people living in certain types of housing; people experiencing homelessness; frontline workers such as agricultural workers, food processors, and migrant and seasonal farm workers; people displaced by wildfires; and wildland firefighters.

In the coming weeks, OHA will share resources for employers and businesses so they may easily share information with their employees.

Starting no later than May 1, vaccine eligibility will expand to frontline workers who cannot work from home and have close contact with people outside their household, such as grocery workers, postal employees, and public transit workers, as well as younger adults with underlying conditions and people living in multigenerational households.

By June, people ages 45 to 64 can receive a vaccination. By July, everyone in Oregon age 16 and older will be eligible. For complete details on eligibility, see the infographic on OHA's [COVID-19 website](#).

This timeline depends on the amount of vaccine the federal government allocates to Oregon. A greater supply of vaccine will mean these dates can move up and more Oregonians will get vaccinated sooner.

In January 2021, OHA's Public Health Director Rachael Banks determined COVID-19 vaccines are available at no cost to Oregonians, though [providers can charge insurers an administration fee](#) or can contact the U.S. Department of Health and Human Services about the [CARES Act Provider Relief Fund](#).

Even if you have been immunized, wear a mask, stay physically distant, avoid large gatherings, and wash your hands often. For more information, visit [covidvaccine.oregon.gov](https://covidvaccine.oregon.gov).



# Get peace of mind by having health coverage

Enroll **Feb. 15 to May 15**



## COVID-19 special enrollment period and American Rescue Plan effects on Marketplace

The COVID-19 special enrollment period is under way and lasts until May 15, 2021. This special enrollment period allows all eligible Oregonians who are looking for health coverage to shop at [HealthCare.gov](https://www.healthcare.gov). You do not have to be directly affected by COVID-19 to qualify.

Just in time for this special enrollment period, President Biden signed the American Rescue Plan, which delivers big savings for people who buy health coverage through the Marketplace. The changes expand access to and increase the amount of premium tax credits people can receive.

Under the American Rescue Plan, people whose income is too high to qualify for the Oregon Health Plan, Oregon's Medicaid program, are now be eligible for substantial savings on both monthly premiums and other out-of-pocket costs.

The new guidelines remove the upper income limit to qualify for financial assistance. It also sets limits on how much health insurance premiums can cost in relation to

gross income. For example, a 55-year-old individual living in La Grande who earns \$63,800 per year now qualifies for approximately \$442 in monthly savings. This lowers a Silver level plan premium from \$876 to \$434 per month. People can also browse plans and find out how much savings they are eligible for at [OregonHealthCare.gov/WindowShop](https://www.OregonHealthCare.gov/WindowShop).

People already receiving premium tax credits will also see savings. These savings are retroactive to Jan. 1. Enrollees will see these savings when they file taxes next year, or can take advantage as early as April 1 by logging in to [HealthCare.gov](https://www.healthcare.gov) and updating their application for 2021 coverage.

People searching for health insurance coverage are encouraged to visit [OregonHealthCare.gov](https://www.OregonHealthCare.gov) to answer a few questions and get started. They can also find help from insurance agents and community partner organizations throughout the state by visiting [OregonHealthCare.gov/GetHelp](https://www.OregonHealthCare.gov/GetHelp).

# BULLETINS

## Expectations for health benefit plans coverage of COVID-19 vaccinations

The bulletin provides guidance about the division's expectations for health benefit plans providing coverage for COVID-19 vaccinations in accordance with ORS 743A.264 and the federal CARES Act.

[Division of Financial Regulation bulletin 2021-1](#)

## Consumer disclosure requirements for personal auto policies with step-down limits

The bulletin provides guidance to auto insurers issuing personal lines auto policies with step-down limits. It outlines the consumer disclosures needed to explain the extent of the coverage.

[Division of Financial Regulation bulletin 2021-2](#)

## Taking Action

Interested in learning more about the division's enforcement actions? Check out the latest edition of Taking Action, the quarterly report of enforcement actions across Oregon's insurance and financial services industries.

## Oregon redistricting

The once-a-decade process of redistricting is under way for the United States House of Representatives and the Oregon State Senate and House. The state legislature wants to hear from its constituents about

this important process. Visit [oregonlegislature.gov/redistricting](https://oregonlegislature.gov/redistricting), to view district hearing dates and get more information.

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