



# North Dakota Insurance Department

Adam W. Hamm, Commissioner

## BULLETIN 2011-1

TO: All Insurance Companies Licensed in North Dakota

FROM: Adam Hamm, Commissioner

A handwritten signature in black ink, appearing to read "Adam Hamm".

DATE: June 8, 2011

SUBJECT: Insurer Alert – Federal Disaster

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On May 10, 2011, President Obama approved Governor Jack Dalrymple's Emergency Disaster Declaration Request for the State of North Dakota. As a result, 42 counties in the State of North Dakota have now been declared a federal disaster area. Based on that declaration, the North Dakota Insurance Commissioner offers the following guidance for all licensees:

### **Claims Handling**

- North Dakota law requires the prompt investigation of all claims including investigation of the causation of loss to ascertain if coverage exists on a claim-by-claim basis.
- Insurers have a duty to properly investigate all claims to ascertain if coverage exists, including the applicability of policy provisions such as sump pump and water backup endorsements.
- In cases in which an insurer is denying a claim, the insurer must provide proper documentation to the insured to allow the insured to apply for any applicable federal disaster assistance.
- The Department expects insurers to work with claimants who have been displaced from homes or businesses and are unable to meet reporting timelines as specified in insurance policies.
- Insurers should establish expedited claim processing procedures and simplified claim reporting forms where appropriate.

### **Premium Payments and Vacancy Provisions**

- The North Dakota Insurance Commissioner encourages all insurers operating in North Dakota to provide prompt and immediate relief to those policyholders impacted by the disaster, including the temporary suspension of premium payments and suspension of vacancy provisions for those temporarily displaced.
- The Department will work with insurers to minimize the regulatory effects of an insurer's suspension of premium payments, specifically in regard to financial review requirements.
- The term "suspension" is not intended to mean forgiveness of the premium; rather, it refers to an extended grace period for the payment of premium.
- Insurers are also encouraged to work with policyholders impacted by the disaster with regard to the collection of premiums, including granting requests for reasonable payment plans.

### **Underwriting**

- It is not appropriate for insurers to re-rate, cancel, nonrenew, or refuse to provide insurance coverage due solely to an individual's status as a victim or evacuee of this disaster.
- It is not reasonable to change policyholders' rating classifications or increase their insurance rates solely because they are a victim or evacuee of this disaster.

If you have questions regarding this bulletin, please contact Kathy Wolf at the North Dakota Insurance Department at (701) 328-2440.

AH/njb



Please be advised that Bulletin 2011-1 is in effect until the Department issues a separate Bulletin deeming 2011-1 inactive.

### Disaster declaration

As of June 10, 2011, North Dakota's 2011 disaster declaration is comprised of 42 counties and three reservations.

The counties listed in the disaster declaration are:

County	ZIP codes
Barnes	58031, 58049, 58062, 58063, 58065, 58072, 58429, 58461, 58479, 58480, 58481, 58492
Benson	58332, 58335, 58343, 58346, 58348, 58351, 58357, 58370, 58379, 58381, 58386
Billings	58627, 58645
Bottineau	58318, 58384, 58711, 58748, 58750, 58760, 58762, 58783, 58793
Burke	58721, 58727, 58737, 58752, 58772, 58773
Burleigh	58477, 58494, 58501, 58502, 58503, 58504, 58505, 58506, 58507, 58521, 58532, 58558, 58560, 58572
Cass	58002, 58004, 58005, 58006, 58007, 58011, 58012, 58021, 58029, 58036, 58038, 58042, 58047, 58048, 58051, 58052, 58059, 58064, 58071, 58078, 58079, 58102, 58103, 58104, 58105, 58106, 58107, 58108, 58109, 58121, 58122, 58124, 58125, 58126
Cavalier	58311, 58352, 58323, 58352, 58249, 58239, 58249, 58311, 58255, 58260, 58249, 58352, 58355, 58269, 58372, 58260, 58269, 58281
Dickey	58436, 58439, 58441, 58474
Divide	58730, 58765, 58833, 58844
Eddy	58356, 58374
Foster	58421, 58443, 58445, 58464
Grand Forks	58201, 58202, 58203, 58204, 58205, 58206, 58207, 58208, 58208, 58214, 58228, 58235, 58224, 58251, 58256, 58258, 58266, 58267, 58275, 58278
Grant	58529, 58533, 58562, 58564, 58569
Griggs	58416, 58425, 58448, 58452, 58484
Kidder	58428, 58475, 58478, 58482, 58487, 58488
LaMoure	58415, 58431, 58433, 58454, 58456, 58458, 58466, 58490
Logan	58440, 58442, 58561
McHenry	58710, 58712, 58713, 58731, 58736, 58741, 58744, 58768, 58788, 58789, 58790, 58792
McIntosh	58413, 58460, 58495, 58581
McLean	58531, 58540, 58559, 58565, 58575, 58576, 58577, 58579, 58716, 58723, 58759, 58775, 58778
Mercer	58523, 58541, 58545, 58571, 58580
Morton	58520, 58535, 58554, 58563, 58566, 58631, 58638
Mountrail	58763, 58769, 58770, 58771, 58776, 58784, 58794
Nelson	58212, 58224, 58254, 58259, 58272, 58344, 58361, 58380
Pembina	58216, 58220, 58222, 58225, 58236, 58238, 58241, 58262, 58265, 58271, 58276, 58282
Pierce	58313, 58368, 58385
Ramsey	58301, 58321, 58325, 58327, 58330, 58338, 58345, 58362, 58377, 58382
Ransom	58027, 58033, 58054, 58068
Renville	58740, 58761, 58782, 58787

Richland	58001, 58008, 58015, 58018, 58030, 58041, 58053, 58057, 58058, 58061, 58074, 58075, 58076, 58077, 58081
Rolette	58310, 58316, 58329, 58353, 58366, 58367, 58369
Sargent	58013, 58017, 58032, 58040, 58043, 58060, 58067, 58069
Sheridan	58430, 58444, 58463, 58758
Steele	58046, 58056, 58230, 58277
Stutsman	58401, 58402, 58405, 58420, 58424, 58426, 58455, 58467, 58472, 58476, 58483, 58496, 58497
Towner	58317, 58324, 58331, 58339, 58363, 58365
Traill	58009, 58016, 58035, 58045, 58218, 58219, 58223, 58240, 58257, 58274
Walsh	58210, 58227, 58229, 58231, 58233, 58237, 58243, 58250, 58261, 58270, 58273
Ward	58701, 58702, 58703, 58704, 58705, 58707, 58718, 58722, 58725, 58733, 58734, 58735, 58746, 58756, 58779, 58781, 58785
Wells	58341, 58418, 58422, 58423, 58438, 58451, 58486
Williams	58755, 58795, 58801, 58802, 58830, 58843, 58845, 58849, 58852, 58853, 58856

The reservations listed in the disaster declaration are:

<b>Reservation</b>	<b>ZIP codes</b>
Spirit Lake Nation (Devils Lake area)*	58379, 58355, 58357, 58381, 58370, 58374
Three Affiliated Tribes (New Town area)*	58636, 58757, 58763, 58770, 58775, 58779
Turtle Mountain Band of Chippewa (Belcourt area)*	58316, 58329, 58366, 58367, 58369

\*Policyholders may live on the reservation and have an address within one of these ZIP codes; however, not all residents within these ZIP codes live on the reservation.