



# KANSAS INSURANCE DEPARTMENT

*Vicki Schmidt, Commissioner*

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## **Kansas Insurance Department- COVID-19 FAQ**

**\*information organized alphabetically and includes the Securities Division**

**UPDATED- 4/2/2020 12:00 p.m.**

On March 17, 2020, Commissioner Vicki Schmidt issued Bulletin 2020-1, regarding Department operations. It can be found at [insurance.kansas.gov/legal-issues](https://insurance.kansas.gov/legal-issues).

On March 27, 2020, Commissioner Vicki Schmidt extended remote operations for the Department during the Shawnee County 30-day stay at home order. The release can be found here: <https://insurance.ks.gov/documents/department/news-releases/Kansas-Insurance-Department-Operations-3-27.pdf>

## **CONTACT INFORMATION**

**Main Line: (785) 296-3071**

**Consumer Assistance Hotline: 1-800-432-2484**

**Email: [KID.Commissioner@ks.gov](mailto:KID.Commissioner@ks.gov)**

**Website: [Insurance.kansas.gov](https://insurance.kansas.gov)**

## **Additional Resources from the National Association of Insurance Commissioners:**

<https://content.naic.org/sites/default/files/inline-files/Insurance%20Brief%20-%20Covid-19%20and%20Insurance.pdf>

## **Questions about the State Employee Health Plan**

<http://www.kdheks.gov/hcf/sehp/>

## **Questions about Medicare & COVID-19**

<https://www.medicare.gov/medicare-coronavirus>

## **Questions about Medicaid & COVID-19**

<https://www.medicaid.gov/state-resource-center/disaster-response-toolkit/covid19/index.html>

## **Anti-Fraud**

*As with any emergency or disaster, there are persons or entities that seek to take advantage of distressed persons or businesses. What can I do to protect myself?*

Insurance is a regulated product that provides protection to consumers in the event of certain occurrences. It is important that consumers and business are aware of the nature of the

transactions they enter into. Consumers should be aware of unlicensed products and should approach offers of newly formed “guaranty funds” or similar products with due diligence. Verify if the company seeking your business is licensed in Kansas by visiting our website at <https://insurance.ks.gov/department/company-search.php>

The Department has also put together a document outlining some of the scams we are seeing. <https://insurance.ks.gov/documents/department/COVID19-Insurance-Scams.pdf>

## **Businesses**

***I have a business interruption insurance policy for my business. Does it cover pandemic related losses?***

Business owners are encouraged to read their policies closely. However, it is the Department’s understanding that it is unlikely that a business policy would cover losses related to COVID-19, as most business policies have communicable disease exclusions. Businesses should read their policies closely for all exclusions. Communications from the Kansas Insurance Department that provide general information should not dissuade a business from filing a claim if there is a possibility of coverage. If there is a question of coverage, business owners are encouraged to reach out to their company and/or agent, and if needed should reach out to our Consumer Assistance Division at 1-800-432-2484. Complaints can also be emailed to [kid.webcomplaints@ks.gov](mailto:kid.webcomplaints@ks.gov).

Also note, the Kansas Department of Commerce has established a Hospitality Industry Relief Emergency Fund to provide bridge loans for Kansas’ hospitality sector during the COVID-19 crisis.

<https://www.kansascommerce.gov/covid-19-response/hospitality-industry-relief-emergency-hire-fund/>

For more information regarding federal action, see the release from NAIC.

[https://content.naic.org/article/statement\\_naic\\_statement\\_congressional\\_action\\_relatig\\_covid\\_19.htm](https://content.naic.org/article/statement_naic_statement_congressional_action_relatig_covid_19.htm)

***Is an insurance agency or company considered an essential business under financial services and allowed to continue operations during the statewide “stay home” order?***

Yes. While the Commissioner of Insurance does not have the authority to issue or enforce a “stay at home” or “shelter in place” order, the Department’s interpretation of [Executive Order 20-16](#) is that “insurance services” are considered an “essential function” within the Kansas Essential Function Framework (KEFF). Affected individuals and entities are encouraged to read the executive order carefully to determine possible limitations on operations and precautions that should be taken. Questions about the executive order should be directed to Governor Kelly at [keff@ks.gov](mailto:keff@ks.gov).

***Will there be any help agents can get to replace the income lost from COVID-19?***

The Kansas Insurance Department does not have any financial resources available to agents, agencies or companies due to the loss of revenue because of COVID-19. We encourage you to look to other government resources that are focused on assisting businesses such as:

Kansas Department of Commerce  
<https://www.kansascommerce.gov/>

U.S. Department of Commerce  
<https://www.commerce.gov/>

## **Consumer Assistance**

***How can I contact someone about an insurance issue?***

The Department will continue to be a resource for the public, but we encourage everyone to first check the resources available on our website, [insurance.kansas.gov](https://insurance.kansas.gov) or by calling the Department's consumer assistance division at 1-800-432-2484. Complaints can also be emailed to [kid.webcomplaints@ks.gov](mailto:kid.webcomplaints@ks.gov).

***The Chat feature on the Kansas Insurance Department's website is offline. Can I still use it?***

Yes. If you use the Chat feature while it is offline, it will send us an email instead of an instant message. Please be sure to include all of your contact information if you use it. The Chat feature will be offline March 23 until April 6.

***Will my health insurance pay for the COVID-19 test?***

On March 13, 2020, the Kansas Insurance Department put out a release confirming that all major medical insurance carriers for fully insured plans are committed to waiving the cost sharing for Novel Coronavirus testing. The release can be found at [insurance.kansas.gov/news](https://insurance.kansas.gov/news).

***How else are health insurers responding to COVID-19?***

The Department reached out to health insurers and learned they are implementing their contingency plans as need and are shifting employees to work from home, including claims processing and customer service. Many are also making changes to their internal policies regarding telemedicine and prescription drugs. For specific information on what your health insurer is doing, please visit their website. We have listed them below for convenience.

**Major Medical Insurance Companies:**

Aetna Health, Inc.  
[www.aetna.com](http://www.aetna.com)

Aetna Life Insurance Company  
[www.aetna.com](http://www.aetna.com)

Blue Cross and Blue Shield of Kansas  
[www.bcbsks.com](http://www.bcbsks.com)

Blue Cross and Blue Shield of Kansas City  
[www.bluekc.com](http://www.bluekc.com)

Cigna Health and Life Insurance Company  
[www.cigna.com](http://www.cigna.com)

Coventry Health Care of Kansas  
[www.aetna.com](http://www.aetna.com)

Coventry Health & Life Insurance Company  
[www.aetna.com](http://www.aetna.com)

Humana Health Plan, Inc.  
[www.humana.com](http://www.humana.com)

Humana Insurance Company  
[www.humana.com](http://www.humana.com)

Medica Insurance Company  
[www.medica.com](http://www.medica.com)

Oscar Insurance Company  
[www.hioscar.com](http://www.hioscar.com)

Sunflower State Health Plan, Inc.  
[www.sunflowerhealthplan.com](http://www.sunflowerhealthplan.com)

UnitedHealthcare Insurance Company  
[www.uhc.com](http://www.uhc.com)

**Short-Term Major Medical:**  
Freedom Life Insurance Company of America  
[www.ushealthgroup.com](http://www.ushealthgroup.com)

Golden Rule Insurance Company  
[www.goldenruleinsurance.com](http://www.goldenruleinsurance.com)

Independence American Insurance Company  
[www.americanindependencecorp.com](http://www.americanindependencecorp.com)

United States Fire Insurance Company  
[www.cfins.com](http://www.cfins.com)

***What does my policy cover?***

Consumers are encouraged to read their policies closely and not rely on blanket statements made in the media about what is or is not covered under a type of policy. If there is a question of coverage, consumers are encouraged to reach out to their company and/or agent and, if needed should reach out to our Consumer Assistance Division at 1-800-432-2484. Complaints can also be emailed to [kid.webcomplaints@ks.gov](mailto:kid.webcomplaints@ks.gov).

***Does the Kansas Insurance Department provide any guidance regarding the dispensing of medication?***

The Department does not regulate pharmacists or pharmacies. Questions regarding the dispensing of medication or other pharmaceutical-related matters should be directed to the Board of Pharmacy. <https://pharmacy.ks.gov/>

***Are health insurers covering telehealth services due to COVID-19?***

The Commissioner of Insurance does not have the authority to mandate expansion of telehealth services or modifications in reimbursement amounts. However, we know many health insurers, but not all, are voluntarily making changes to allow telehealth services and to modify their payment practices to reimburse those services at the same level as in-person services. We encourage everyone to check with their health insurer regarding the coverage of telehealth services.

***Are health insurers covering 90-day supplies of medication?***

Many companies, but not all, are adjusting policies to allow early refills of maintenance medications and/or extending refills from 30-day supplies to 90-day supplies. The time periods for these adjustments vary by company. The Department encourages all consumers to reach out to their insurer for information on what they are covering.

***Has the department put a moratorium in place on insurance policy cancellations due to non-payment of premium?***

The Department is committed to protecting consumer rights under current law. However, the Commissioner of Insurance does not have the authority to mandate a moratorium on policy cancellations due to non-payment of premium. Consumers are encouraged to work directly with their insurer to explore options on payment plans, extended grace periods, etc. If a violation of law is suspected, contact our Consumer Assistance Division at 1-800-432-2484 or complaints can be emailed to [kid.webcomplaints@ks.gov](mailto:kid.webcomplaints@ks.gov).

## **Department Operations**

### ***Is the Kansas Insurance Department open?***

The Department is currently working with a reduced staff through alternative working arrangements. All Department operations, except for those conducted by essential personnel, will be suspended at our location, 1300 SW Arrowhead, Topeka, Kansas, beginning March 23 until at least April 6. Those personnel equipped to work remotely will be doing so during that time period. The Department is not open to the public during this time.

### ***Can I still mail things to the Department?***

Yes, but with the building closed we will have limited access to mail from March 23 until April 6. While you can still mail things, please understand there may be a delay in processing that piece of mail. This includes all mail coming from the U.S. Postal Service, Fed Ex, and UPS.

## **Insurance Companies**

### ***Is the Department suspending any claims practices?***

The Kansas Commissioner of Insurance reminds insurers and businesses of their rights and obligations under K.S.A. 40-2404 and K.A.R. 40-1-34. Among other responsibilities, insurers have an obligation to truthfully represent the coverages or terms of any insurance policy and avoid unfair claim settlement practices. Insurers must:

- fully disclose to a first party claimant all pertinent benefits, coverages, or other provisions of an insurance policy or insurance contract under which a claim is presented;
- promptly provide necessary forms, instructions, and reasonable assistance;
- act reasonably and promptly upon communications with respect to claims arising under insurance policies;
- adopt and implement reasonable standards for the prompt investigation of claims;
- conduct a reasonable investigation based upon all available information before refusing to pay claims;
- affirm or deny coverage of claims within a reasonable time;
- attempt in good faith to effectuate prompt, fair and equitable settlement of claims in which liability has become reasonably clear;

As the Commissioner made clear in Bulletin 2020-1, the Kansas Insurance Department is not suspending the Kansas unfair method of competition and unfair or deceptive act or practices statutes, associated regulations, and the Kansas Insurance Department's policy and procedure implementing the NAIC's unfair claims settlement practices model regulation. However, insurers are encouraged to proactively notify the Insurance Department's Consumer Assistance Division of any issues they may have with complying with these laws that are a result of a COVID-19 response measure taken by the insurer. Such notification will be considered by the Commissioner in enforcing K.S.A. 40-2405.

## **Insurance Licensing**

***Will the Kansas Insurance Department be issuing temporary licenses or suspending any licensing requirements?***

At this time, the Kansas Insurance Department will not be issuing temporary licenses or suspending any licensing requirements. We will continue to monitor the situation and work with interested parties in the weeks ahead to best address this issue.

***I am applying for a new insurance license and am having trouble getting the test scheduled and the fingerprints taken. What can I do?***

Effective April 2, 2020 the Kansas Insurance Department has authorized Pearson Vue, the Kansas vendor for exams, to begin using a third-party vendor still operating to administer the Kansas exam at those locations. If a person needs to schedule an exam, they should do so through the normal process on Pearson Vue's website: <https://home.pearsonvue.com/>

In addition, we know not all law enforcement facilities have stopped taking fingerprints. We encourage you to check with those in your area as well as private businesses that offer fingerprinting services. Should you have additional questions, please send them to [KID.Licensing@ks.gov](mailto:KID.Licensing@ks.gov).

***My license is up for renewal and I can't complete CE in time?***

For those agents whose licenses will be up for renewal during the coming weeks, please understand the Kansas Insurance Department will not be issuing automatic suspension notices. However, licensing requirements are NOT suspended at this time. The Department is committed to working with agents on licensing issues before the Department and we encourage agents to utilize online resources accessed through their website [insurance.kansas.gov](http://insurance.kansas.gov) or email questions to [KID.Licensing@ks.gov](mailto:KID.Licensing@ks.gov).

***I need to complete my CE and my office is closed and I am supposed to practice social distancing. Is the Department waiving the requirement to have a proctor for a self-study course? Or can I use a virtual proctor?***

The Department is not waiving the requirement to have a proctor for a self-study course. However, we are allowing virtual examination monitors as long as they meet the criteria outlined in K.A.R. 40-7-20a:

<https://insurance.ks.gov/documents/department/regulations-adopted/article-7/40-7-20a.pdf>

***Can I do other work at an insurance office while I wait to get my license?***

Yes. However, unlicensed persons cannot perform licensable activities. At this time, the department is not issuing temporary licenses or suspending any licensing requirements. If you have questions about what is a licensable act vs. a non-licensable act, you should visit:

[https://content.naic.org/sites/default/files/inline-files/committees\\_ex\\_pltf\\_plwg\\_Licensable\\_Activities.pdf](https://content.naic.org/sites/default/files/inline-files/committees_ex_pltf_plwg_Licensable_Activities.pdf)

## **Securities, Broker-Dealer, Investment Adviser, and Representative Registration**

### ***Will my application for registration be processed?***

Yes. Our staff continues to process firm and individual applications submitted via the CRD/IARD and applications for securities registration in the order received, including applications under FINRA's regular process for temporary registration of individuals who are moving from one firm to another and have new or updated disclosures since their last registration.

In addition, due to the COVID-19 outbreak, FINRA provided temporary relief from its requirement that firms obtain a "wet" signature on a Form U-4 before submission of an electronic U-4 to the CRD for registration. Specifically, for now, FINRA will permit firms to electronically file an initial or amended Form U4 without obtaining the individual applicant's manual signature *if* the firm follows FINRA's requirements, detailed [here](#).

With respect to fingerprint submissions to FINRA for applications to register as a broker-dealer agent, FINRA has provided temporary relief from its regular deadline—extending it until June 29, 2020, for applications submitted between February 15 and May 30, 2020. Normally an applicant must submit fingerprints to FINRA no later than 30 days after FINRA receives the application. Applicants can find additional details about this temporary relief [here](#). Kansas does not require investment adviser representatives to submit fingerprints.

### ***Can I submit documentation for broker-dealer and investment adviser applications for registration electronically instead of in paper form?***

Yes. Please submit this documentation by e-mail to Kathy Ramskill at [Kathy.Ramskill@ks.gov](mailto:Kathy.Ramskill@ks.gov) for processing.

### ***Does the deadline for state-registered investment advisers to file their Form ADV amendments continue to apply?***

Yes. Please submit these amendments via the CRD/IARD according to the applicable deadline.

### ***Can I submit documentation required for securities registration filings electronically?***

Yes. Please submit such documents in searchable pdf format by e-mail to Shelly Welch at [shelly.welch@ks.gov](mailto:shelly.welch@ks.gov). Please mail checks for securities registration fees to the attention of Kathy Ramskill at our office address, 1300 SW Arrowhead Rd., Topeka, KS 66604.

### ***Prometric testing centers are closed for 30 days starting March 18, 2020 and my window to take an exam will expire before the exam testing site re-opens. Will I still be able to take my test?***

Yes. All enrollment windows that are currently open will be extended to the end of May. Candidates with an existing exam appointment during the closure will receive an email from



Prometric with instructions on how to reschedule their appointment and rescheduling fees will not be applied. To change an existing appointment already scheduled after April 16, candidates should access the [Prometric website](#). For additional information, please follow updates on the [Qualification Exams](#) page on FINRA's website.

***Whom should I contact with questions related to registration matters for securities, broker-dealers, investment advisers, and representatives?***

Please contact Shelly Welch by e-mail at [shelly.welch@ks.gov](mailto:shelly.welch@ks.gov) or telephone at (785) 296-1911.

***What other websites might help me answer my COVID-19 questions?***

COVID-19-specific updates are available from NASAA, FINRA, and the SEC:

<http://www.nasaa.org/industry-resources/covid-19-updates> - information about other state orders and guidance for Kansas investment advisers that are registered elsewhere.

<https://www.finra.org/rules-guidance/key-topics/covid-19> - for broker-dealers, FINRA provides guidance on Regulatory Notices, Exams, Membership Applications, Fingerprints, Arbitrations, etc.

<https://www.sec.gov/sec-coronavirus-covid-19-response> - issuers and exchanges may review the regulatory relief provided during the execution of their business continuity plans, as well as information relating to market functions, enforcement, and investor protection efforts.