



# Nevada Division of Insurance

## Block Cancellation/Withdrawal of Insurance:

Any insurer that wishes to withdraw insurance for a particular class of insureds is required to comply with [Nevada Revised Statute \(NRS\) 687B.410](#). NRS 687B.410 is a consumer protection statute which ensures that the consumers from the withdrawing company have a fair opportunity to find comparable coverage. Some examples of instances where this statute applies are (not a comprehensive list):

1. An insurer stops writing a particular line of insurance.
2. An insurer introduces a new rating plan and will eventually write existing policies in the new program.
3. An insurer acquires a company and wishes to move the insureds in the acquired company to the primary company.
4. An insurer is consolidating, resulting in merger of companies.
5. An insurer stops writing one sub-type of insurance (for example, private passenger auto) in one company but still offers other sub-types (motorcycles, custom auto, RV, etc.)

An insurer that intends to stop writing any particular class of insureds from its book of business shall submit a request to the Commissioner of Insurance (Commissioner) at least 60 days before the insurer intends to send out notice of non-renewal or cancellation to its insureds. The letter to the Commissioner shall provide the following information:

- 1) Number of Nevada policies affected by the withdrawal.
- 2) Amount of written premium affected by the withdrawal.
- 3) Confirmation that a timely notice (30 days for personal lines and 60 days for commercial lines) of non-renewal or cancellation will be provided to the affected policyholders.
- 4) Explanation as to the reason for the withdrawal.
- 5) Effective date of the withdrawal.
- 6) Intention to send an offer of coverage from surviving company, if applicable.
- 7) Number and amount of outstanding claims.
- 8) Intention of continuing to assume liability for the claims that occur prior to cancellation of policies.

If moving business to a new or different company the new company may make an offer of insurance to the affected policyholders of the withdrawing company. The offer is a **new** offer which must comply with requirements outlined in [NRS 687B.145](#), including signature requirements outlined in [Bulletin 89-002](#). The Division does allow the new company to send a new offer of insurance (including rates, coverages, etc.) from the new company in the same packet that contains the non-renewal or cancellation notice from the withdrawing company. This offer of insurance can also contain an explanation as to how the rates and terms in the new offer are similar to or different from those in the withdrawing company.

The letter to the Commissioner may be addressed to the Division's Property and Casualty Section.