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**Notice to Property and Casualty Insurers
Disallowance of New Exclusions Related to COVID-19, Viruses, or Pandemics**

The Nevada Division of Insurance (“NVDOI”) informs property and casualty insurers offering coverage for business interruption and related perils that the NVDOI will not approve any new policy or endorsement language containing exclusions of coverage that specifically mention COVID-19, viruses, or pandemics. The NVDOI’s authority to disallow such exclusions stems from the State of Emergency in effect since March 12, 2020. The NVDOI makes the decision to temporarily disallow such exclusions due to the need to protect consumers against unexpected narrowing of previously expected insurance coverage and ambiguity of interpretation of insurance contracts during a time of great uncertainty and financial strain ensuing from the COVID-19 pandemic.

Some insurers have stated that their policy language, predating the COVID-19 pandemic, excludes coverage for business interruption and related perils arising from viruses or pandemics. The NVDOI expresses no opinion on these insurer statements and continues to hold the long-standing position that the language of the insurance policy determines what an insurance policy does or does not cover, provided that such language is compliant with all applicable laws. However, if an insurer asserts that its previous policy language sufficed to exclude coverage related to COVID-19, then adding an explicit exclusion now would only engender confusion, leading many policyholders to believe that the peril was *not* excluded in the past but has only come to be excluded in reaction to COVID-19. The NVDOI does not consider either the actuality or the perception of such a course of action to be in accord with its mission of protecting Nevada insurance consumers. While some insurers may be seeking to introduce such explicit exclusions in order to clarify their view of how their policies have always operated, the NVDOI holds that such attempts at clarification would actually achieve the opposite of their intended effect and would instead inject new ambiguity into matters of policy interpretation. The ramifications of COVID-19 are still largely unknown and indeterminable, and any policy redesigns in response to this peril are premature at this time, until the emergency subsides.

Until the Governor’s Declaration of Emergency related to COVID-19 is lifted, the NVDOI will not approve any exclusion language related to COVID-19, viruses, or pandemics. Furthermore, insurers who submitted and received approval for such exclusionary language on or after March 12, 2020, are requested to voluntarily withdraw said language. Such voluntary withdrawals may be achieved by means of new filings submitted via the System for Electronic Rate and Form Filing (“SERFF”), whose sole contents would be the forms which the insurer should withdraw or amend to remove the recently introduced exclusionary language.