

Oregon Department of Consumer and Business Services Division of Financial Regulation, Bulletin No. DFR 2024-6

To: Insurers writing homeowners policies

Date: April 29, 2024

RE: Expectations of insurers regarding explanations of insurance decisions

I. Purpose

The purpose of this bulletin is to remind insurers of the division's expectation to provide clear and unambiguous communications about insurance decisions and to provide timely information to producers.

II. Authority

- ORS 731.008
- ORS 731.016
- ORS 746.110
- ORS 746.075
- OAR 836-080-0155

III. Background

The Insurance Code prohibits any person from making untrue, deceptive, or misleading statements or representations relating to the business of insurance.¹

Questions and concerns have been raised about potentially misleading information recently circulating among the general public, such as the following:

- Insurers are not writing new policies for properties within specific zip codes, counties, or cities; and
- Insurers are not evaluating neighborhoods or individual homes when determining risk and eligibility for insurance.

¹ Under ORS 746.110, no person shall make, publish, disseminate, circulate, or place before the public, or cause, directly or indirectly, to be made, published, disseminated, circulated, or placed before the public, in a newspaper, magazine or other publication, or in the form of a notice, circular, pamphlet, letter or poster, or over any radio or television station, or in any other way, an advertisement, announcement or statement containing any assertion, representation or statement with respect to the business of insurance or with respect to any person in the conduct of the insurance business, which is untrue, deceptive or misleading.

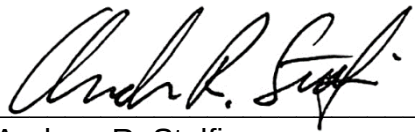
The Insurance Code requires that any insurance related information being conveyed is accurate. Insurance producers have been directed to confirm information with the carriers that they represent.

IV. Director's Guidance

It is extremely important that consumers receive accurate information about decisions made with respect to their policies. Historically and currently, robust data tools are used to make pricing and underwriting decisions, and the basis of all rating or underwriting decisions should be accurately communicated. When confronted with questions from either insurance producers or consumers about the tools and data used by insurance companies, insurers should timely and accurately relay the factors that are incorporated into the company's rating and underwriting decisions.

Insurance producers have been directed to confirm homeowners insurance underwriting and rating decisions and rationales with insurers. See Bulletin No. DFR 2024-5.

This bulletin takes effect upon publication.



Andrew R. Stolfi
Insurance Commissioner and Director
Department of Consumer and Business Services

04/29/2024

Date