

MELICK & PORTER, LLP COVID-19 MEMO:

Melick & Porter, LLP provides you with the below update regarding the impact of COVID-19 on issues relating to insurance in the United States. The below is not meant to be all-inclusive, but provides an overview as to the trends in the United States. If you have any questions regarding any of the updates below, please do not hesitate to contact us.

SUMMARY OF IMPORTANT LEGISLATION AND EMERGENCY ORDERS AND DIRECTIVES:

Below we provide an overview as to the types of legislative actions that have been occurring, both on a federal and state level.

- Following Governor Cuomo's Executive Order No. 202.15 on April 9, 2020, New York has adopted the following directives:
 - Any local official, state official or local government or school, which, by virtue of any law has a public hearing scheduled or otherwise required to take place in April or May of 2020 shall be postponed, until June 1, 2020, without prejudice, however such hearing may continue if the convening public body or official is able to hold the public hearing remotely, through use of telephone conference, video conference, and/or other similar service.
 - For the period from the date of the Executive Order through May 9, 2020, the Department of Taxation and Finance is authorized to accept digital signatures in lieu of handwritten signatures on documents related to the determination or collection of tax liability.

INSURANCE AND COVERAGE RELATED NEWS AND ORDERS/LEGISLATION:

Below we provide an update as to regulations, news, and litigation specifically related to insurance and potential coverage.

- The New York State Department of Financial Services adopted an emergency regulation requiring New York State regulated issuers of life insurance and annuity contracts, property and casualty insurers and premium finance agencies to provide relief to New York consumers and businesses experiencing financial hardship due to COVID-19. This follows Governor Cuomo's Executive Order No. 202.14.
 - Extend the period for the payment of premiums to the later of the expiration of the applicable contractual grace period and 11:59 p.m. on June 1, 2020, for any comprehensive health insurance policyholder or contract holder under an individual policy or contract, as those terms are used in such sections, who is facing a financial hardship as a result of the COVID-19 pandemic; and

- Require that the applicable insurer, corporation subject to Article 43 of the Insurance Law, or health maintenance organization certified pursuant to Article 44 of the Public Health Law shall be responsible for the payment of claims during such period and shall not retroactively terminate the insurance policy or contract for non-payment of premium during such period.
- On April 9, 2020, Governor Baker issued COVID-19 Order No. 25 mandating that insurers cover all medically required costs of COVID-19 treatment in out-of-network hospitals and or other medical facilities with no cost to the patient.
- Connecticut, New Hampshire, and Rhode Island Insurance Departments provide guidance on Business Interruption Insurance and COVID-19.

BUSINESS AND COMMERCE NEWS AND LEGISLATION RELATED TO COVID-19:

Below we discuss news regarding the economic impact of COVID-19 and measures being taken to address that.

- More than 16 million Americans have lost their jobs so far due to the COVID-19 pandemic, based on new claims for unemployment insurance. Coronavirus Aid, Relief, and Economic Security Act (CARES) expanded unemployment insurance qualifications to 11 new categories, including if “the individual has to quit his or her job as a direct result of COVID–19.”
- In conjunction with the CARES Act, the Paycheck Protection Program is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll. SBA will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities.
 - Applications can be processed by any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating.
 - Lenders began processing loan applications as soon as April 3, 2020. The Paycheck Protection Program will be available through June 30, 2020.
- New York, Governor Andrew Cuomo has ordered all essential businesses to supply their workers with a mask or face covering while they are working. This is for workers who interact with the public and the cost must be covered by the employer.
- Massachusetts is one of the latest states to propose legislation pertaining to COVID-19, including: an Act making appropriations for the fiscal year 2020, which appropriates \$15 million to support the Commonwealth’s efforts against the novel coronavirus, including monitoring, treatment, containment public awareness and prevention efforts by the

department of public health, regional and local boards of health, and any other public entities.

LITIGATION/CIVIL JUSTICE SYSTEM UPDATES AND ORDERS:

Below we highlight additional judicial orders related to the COVID-19 pandemic.

- On April 13, 2020, the Supreme Court announced it will hear oral arguments by telephone conference on May 4, 5, 6, 11, 12 and 13 in a limited number of previously postponed cases. In keeping with public health guidance in response to COVID-19, the Justices and counsel will all participate remotely.
- Although Massachusetts courthouses are closed except for emergency matters until at least May 4, 2020, court business continues virtually (by telephone, videoconference, email, or comparable means, or through the electronic filing system).
 - The Massachusetts Supreme Judicial Court issued an Order authorizing use of electronic signatures by attorneys and self-represented parties, effective April 7, 2020;
 - In accordance with the Massachusetts Supreme Judicial Court Order, effective April 6, 2020, Trial Court Chief Justice Paula M. Carey issued Trial Court Emergency Administrative Order 20-7 to address court operations under the exigent circumstances created by the COVID-19 pandemic; and
 - Members of the public can call the Trial Court Help Line to ask general questions about their civil and criminal cases and get help navigating the court system while courthouses are closed to the public except for remote handling of emergency matters. The Help Line is staffed from 8:30 a.m. to 4:30 p.m., Monday through Friday, and can be reached by calling 1-833-91COURT.
- As of Tuesday, April 7, 2020, all essential and emergency court matters – throughout New York City and in every Judicial District outside the City – will be heard virtually, with all interactions taking place by video or telephone. All non-essential court functions had already been suspended by Administrative Order.
- Effective Monday, April 13, 2020, and until further notice, the State of Connecticut reduced the hours of operation for the Office of the Appellate Clerk. The hours of operation for the Office of the Appellate Clerk will be Monday, Wednesday, and Friday from 9:00 a.m. to 2:00 p.m.
- United States District Court for the District of Rhode Island has issued a General Order shortening the response and reply times to emergency motions filed citing COVID-19 as grounds for the relief sought pursuant to LR Cv 7(a)(3) and LR Cr 47(a)(3). The public is still able to listen to Court hearings by dialing into judge specific phone numbers.