

## COVID-19 Billing Relief

### Key Messages

- Travelers COVID-19 billing relief was effective March 26 to June 15, 2020.
  - Some state required exceptions remain beyond June 15, 2020.
- On June 16, 2020, Travelers COVID-19 billing relief for most customers ended.
- During the billing relief period, billing relief was automatically applied for customers who were unable to pay their bills.
  - Customers who did not pay their bills did not receive cancellation notices.
  - We continued to send the normal bill, providing them the total premium owed for the policy or account for each billing cycle.
- Starting June 16, 2020, we'll return to our normal billing processes to issue non-pay cancellation notices as applicable when future premiums are not paid.
- For customers that did receive billing relief and have \$100 or more unpaid premium (\$10 in California) on their billing account:
  - We are providing additional billing relief until July and suspending their bills from June 16 to July 13, 2020 for Direct Bill and Mortgagee Bill customers.
  - For Electronic Funds (EFT), Recurring Credit Card (RCC) or Payroll Deduct customers, the billing relief will be handled the same way it has been since March 26, 2020. We will continue to attempt to process the payment, but if there are nonsufficient funds there will be no penalties or fees until July 13, 2020.
- To assist these billing relief customers:
  - Deferred billing relief payments that are more than \$100 will receive a separate bill starting in July.
  - Customers have 12 months to pay the separate bill.

### FAQs

#### **Q. Did COVID-19 billing relief end countrywide on June 15, 2020?**

**A.** Yes. Normal billing resumed on June 16, 2020 unless we are required by a state's Department of Insurance to offer billing relief beyond that date.

At this time we are required to extend billing relief in Colorado, Delaware, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, Washington D.C. and West Virginia. We will comply with all state mandated orders.

#### **Q. What's the average amount customers owe back due to billing relief?**

**A.** Of the impacted customers, there were various levels of relief that were needed. Some customers could pay most of their bill where others could not pay anything. Given the disparity between individual customer's needs we cannot give you an accurate average amount of premium each customer owes.

#### **Q. Will agent commission payments be impacted for customers that received billing relief?**

**A.** They could be. For renewal policies, commissions are paid as premium is paid. If a customer did not pay premium during the billing relief period, commissions were not paid. If a customer paid a portion of premium, commissions were paid on what the customer paid. As a customer makes a payment toward the deferred amount owed due to billing relief, it will be added to the agent's commission calculation when the customer makes the payment.

For new 6 or 12 month policies, if the agent commission was paid in full, we will not reduce the agent's commission unless the policy cancels. If the agent was paid the full commission and the policy cancels, the agent's commission will be reduced accordingly.

**Q. Will the outstanding balance be added to the customer's next bill?**

**A.** No. To help separate the existing premium owed from the billing relief premium, we will continue to send customers their normal bill to keep the policy active. In addition to their normal bill, we will send a separate bill to customers for the amount of premium owed as a result of the billing relief. Customers will have 12 months to pay this bill.

**Q. How will the customer know the difference between their current policy bill and the amount owed due to billing relief?**

**A.** The billing relief bill will be identified by adding a "C" to the end of the customer's policy number. For example, policy 123456789 203 **C** indicates the amount due as a result of deferred payments during the billing relief time period.

**Q. When will the 'C' bill be sent to customers?**

**A.** COVID-19 billing relief for these customers will end on July 13, 2020, so we will begin sending the deferred payment bills on the customer's normal bill date after July 13, 2020.

A message will be included with the bill that explains how long customers have to pay their outstanding balance before any action is taken.

**Q. Will you send the 'C' bill for the deferred payment the same way customers receive their normal bill?**

**A.** The 'C' bill for the billing relief deferred payment will be sent how customers receive their normal bills. If a customer receives their normal bill by email, they'll receive the 'C' bill electronically. If they receive their normal bill in the mail, we'll send the 'C' bill in the mail.

**Q. Will the payment method remain the same?**

**A.** We will not automatically deduct funds for the deferred payment amount from EFT, RCC or Payroll Deduct customers. These customers will receive a direct bill, the same way they receive their normal bill. Directions for how customers can change the payment plan for the deferred payment bill will be included with the bill.

If the customer wants to pay the 'C' bill for the deferred payments by EFT or RCC they will not be able to defer any payments and normal service charges may apply.

**Q. Where can the details of the deferred billing relief payment be viewed?**

**A.** Agents can view the details on the policy that contains the deferred payment amount by doing a 'Customer Look-up' in Travelers For Agents and reviewing the customer's billing history.

Customers can link the policy to their existing MyTravelers® account to review the information in *MyTravelers*.

**Q. Will customers owe the full outstanding balance of their deferred payment in their next bill?**

**A.** No. Understanding the situation our customers may be in, for deferred payments over \$100, we are allowing customers up to 12 months to pay the deferred premium back that was not paid due to billing relief.

**Q. Is the \$100 determined on a policy or account level?**

**A.** The \$100 threshold of deferred payments for billing relief that customers will have 12 months to pay back will be at the account level. The customer could have had relief under \$100 for each policy, but as long as the total amount of billing relief between all policies under that account is \$100 or more the customer will receive a 'C' bill and have 12 months to pay the deferred premium back.

The 'C' bill will include the total amount of owed premium between all the policies so the customer will receive two bills, their normal bill and one 'C' bill.

**Q. Will every customer that received billing relief receive an additional bill?**

**A.** No. If the deferred amount owed is \$100 or less (\$10 or less in California), that amount will remain on the customer's normal billing. If a customer is on an EFT, RCC or Payroll Deduct plan, the \$100 or less will be spread amongst their remaining bills. If the customer is direct billed, the \$100 or less will be added to their next bill.

In New Jersey, New York, Oregon and Washington D.C. billing relief will be in effect after June 15, 2020 based on state mandated orders. In these states, we are working to determine what the deferred amount of unpaid premium will be for customers to receive a 'C' bill and 12 months to pay the premium back.

**Q. Will the deferred billing relief payments be charged in 12 equal monthly payments?**

**A.** Yes. However customers can pay as often and in increments that works best for them. The only requirement is that the balance is paid off within 12 months.

For the 'C' bill, we will send a monthly bill that shows the outstanding balance. So, if the customer pays in increments those payments will be deducted from the balance. If there is a month where a customer doesn't pay anything, the bill for the next month will be the unpaid amount and next month's balance.

**Q. Will fees be charged for the deferred payments in the 'C' bill?**

**A.** Installment or late fees will not be charged for the deferred billing relief payments.

**Q. How will the deferred payment work for paid in full pay plans?**

**A.** If the customer has a paid-in full payment plan and took advantage of billing relief, we will move the unpaid portion of the bill due to billing relief to the 'C' bill for deferred payments. At the next billing period, the customer will owe the entire remaining amount due for their normal bill to keep the policy active. Customers will have 12 months to pay the 'C' bill for deferred payments.

If a paid in full customer would like to update their payment plan for their normal bill, they can go to MyTravelers® and update their normal bill to installment payments.

**Q. How will the deferred payment work for mortgagee bill plans?**

**A.** If the mortgage company or customer did not pay the bill during the billing relief period, the customer will receive a separate 'C' bill for the deferred payment amount. They will have 12 months to pay the deferred payment.

**Q. How will the deferred payment work for customers that pay their agents? Will agents be expected to collect the payment from customers, or will we require the customer to pay us directly?**

**A.** If a customer's normal bill is sent to the agent, it will continue to be sent to the agent. However, the deferred payment 'C' bill will be sent directly to the customer and the customer should pay Travelers.

**Q. Can customers combine the deferred payment 'C' bill with their normal billing?**

**A.** Our recommendation is for the customer to keep their normal policy bill and the deferred billing relief 'C' bill separate. However, if a customer feels strongly and requests that the two bills be combined, we can combine the billing.

When combining the bills, the minimum amount due will need to be paid in full or the policy will be subject to cancelation for non-payment. When keeping the deferred billing relief 'C' bill separate, the customer can pay in whatever increments they choose as long as the owed amount is paid within the 12 month period.

**Q. Should customers pay the 'C' bill for the deferred payments before their current normal policy bill?**

**A.** Customers should pay their current normal policy bill first to ensure their policy remains active. For the outstanding amount owed from billing relief, customers can pay as often and in increments that works best for them. The only requirement is that the balance is paid off within 12 months.

**Q. What if a customer's policy cancels or non-renews before the deferred payment is paid back?**

**A.** If a customer leaves Travelers, we will still pursue the deferred payment and the customer will have 12 months to pay it back.

**Q. What will happen if a customer was pending cancelation before billing relief was implemented?**

**A.** If a customer was in the process of a policy cancelation but that was paused due to billing relief and the customer has not made any payments or submitted a claim, the policy will be canceled on the effective date that was provided on the policy cancelation.

**Q. What happens if a customer's outstanding balance from the 'C' bill for deferred payments is not paid in full in 12 months?**

**A.** If the outstanding balance is not paid by the end of the 12 month period, we will add the outstanding balance to the primary policy.

**Q. Will policies be canceled earlier than 12 months if no payments are received for the 'C' bill for deferred payments?**

**A.** No. Customers will have 12 months to pay the deferred payment.

**Q. What happens if there is a policy change that impacts the policy premium?**

**A.** If the change in coverage results in an increase to premium, the increase will be applied to the normal bill. If the change in coverage results in a decrease in premium, the refund will be applied to the normal policy balance first. If there is any remaining balance for the refund, the balance will be applied to the 'C' bill for deferred payments. If there is still a remaining refund balance, we will send the customer a refund check.

**Q. How will claims be handled?**

**A.** As long as the primary policy remains effective, there will be no change to the claim process. No claims will be registered under the deferred payment 'C' policy. Any claims filed will be registered to the applicable primary policy.

**Q. Where can agents obtain a list of their impacted customers?**

**A.** Agents should contact their Personal Insurance Sales Executive.

**Q. What will happen if a Department of Insurance has ordered a longer billing relief period?**

**A.** We will comply with all state mandated orders. For states where we are required to offer longer billing relief, the process outlined above will be followed when the state's billing relief period ends.

**Q. Where can agents direct additional questions regarding billing relief repayments?**

**A.** Agents can contact Travelers at 1.800.842.5075.