

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. 202.19 on April 17, 2020, New York has adopted the following directives:
 - The Department of Health established a single, statewide coordinated testing prioritization process that requires all laboratories in the state, both public and private, that conduct COVID-19 diagnostic testing, to complete such COVID-19 diagnostic testing only in accordance with such process.
- Following Governor Sununu’s Executive Order No. 2020-06 on April 14, 2020, New Hampshire established the Governor's Office for Emergency Relief and Recovery (“GOFERR”) and processes and procedures for allocation and expenditure of COVID-19 emergency funds.
 - GOFERR, shall have the power and responsibilities to assist the Governor and Legislature with and direct State agencies on the management and expenditure of (i) emergency relief funds received under the CARES Act and (ii) any additional Federal emergency funds received to address the impacts of the Novel Coronavirus (COVID-19). All Executive Branch agencies shall coordinate with and report to GOFERR on the allocation and expenditure of such funds.
- Following Governor Lamont’s Executive Order No. 7BB, effective at 8:00 p.m. on Monday, April 20, 2020, any person in a public place in Connecticut who is unable to or does not maintain a safe social distance of approximately six feet from every other person shall cover their mouth and nose with a mask or cloth face-covering. In addition, individuals shall use a mask or cloth face covering when using the services of any taxi, car, livery, ride-sharing or similar service or means of mass public transit, or while within any semi-enclosed transit stop or waiting area.

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.

- Many states including Maine, Massachusetts, and New York, have extended the period for the payment of insurance 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.
- Effective April 20, 2020, the New York Department of Labor (DOL) launched a new streamlined application for New Yorkers to apply for traditional Unemployment Insurance (UI) or Pandemic Unemployment Assistance (PUA). This new system will connect New Yorkers with the benefits they need faster, and without having to call the Department of Labor and provides unemployment benefits for individuals who are ineligible for traditional unemployment insurance, such as New Yorkers who are self-employed, independent contractors, or “gig economy” workers.
- Effective April 20, 2020, the Baker-Polito Administration announced that Massachusetts residents who are not eligible for regular unemployment benefits can now apply online for the new Pandemic Unemployment Assistance (PUA) program.
 - The new federal PUA program provides up to 39 weeks of unemployment benefits who are unable to work because of a COVID-19-related reason but are not eligible for regular or extended unemployment benefits. This includes self-employed workers, independent contractors, gig economy workers, and those with limited work history.
- 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.

- This week, as part of the Coronavirus Aid Relief and Economic Security (“CARES”) Act, the U.S. Federal Government began delivering “Economic Impact Payments” to eligible Americans. These direct cash payments to individuals and families are for financial relief during the coronavirus pandemic.
 - The Internal Revenue Service (“IRS”) is responsible for the timing, amount and distribution of these payments, and has states that payments will be sent in waves over the course of multiple weeks into July 2020.
 - The IRS will distribute payments using the information that the IRS has on file for each eligible individual or family.

- Payments will be deposited directly into the same bank account that was most recently used to receive a tax refund or monthly Social Security payment. Others will receive paper checks in the mail, at the address the IRS has on file for that individual.
 - [The IRS Economic Impact Payment Information Center website](#) has detailed information on eligibility, requesting, calculating and receiving payments.
 - [The IRS Get my Payment website](#) can provide you information about the status of your payment, payment type (direct deposit or paper check) and how to set up a direct deposit if available.
- As part of the \$2.2 trillion coronavirus stimulus package, known as the CARES Act, \$349 billion was allocated to small businesses, initially as loans. Paycheck Protection Program (“PPP”), administered through the Small Business Administration, was authorized to provide small businesses with loans to pay eight weeks of salary, benefits and other eligible costs. These loans will be forgiven if a business restores its full-time employment and salary levels by June 30, 2020. Many small businesses jumped at that opportunity, and within 13 days the funds were completely exhausted. Lawmakers on Capitol Hill are expected to approve measures to expand the program this week.

LITIGATION/CIVIL JUSTICE SYSTEM UPDATES AND ORDERS:

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

- On April 13, 2020, the Rhode Island Supreme Court issued Executive Order No. 2020-10, stating effective April 14, 2020, all papers in both emergency and routine matters shall be filed with the Supreme Court electronically by email and may include typographical signatures. Any person seeking emergency treatment for an electronic filing must make that clear in both the body of the filing and in the email.