

COMMISSIONER OF SECURITIES & INSURANCE

MATTHEW M. ROSENDALE, SR.
COMMISSIONER



OFFICE OF THE
MONTANA STATE AUDITOR

TO: All Property Insurers and Licensed Adjusters

FROM: Derek J. Oestreicher
Special Assistant Attorney General

DATE: March 5, 2020

SUBJECT: Extension Notice re: CSI Advisory Memorandum on Depreciation of Labor

The Commissioner of Securities and Insurance (CSI) issued an advisory memorandum dated December 23, 2019, stating CSI's position that labor may not be depreciated in Montana. In this memo, CSI established March 31, 2020, as the deadline for insurers to submit or resubmit policy forms. Further, CSI established that insurers would be required to supply policyholders and certificate holders with corrected forms within 60 days following approval.

After receiving comment from industry stakeholders concerning the above-stated timeframes, CSI is granting an extension as follows:

Insurers who have policy forms currently in use that attempt to apply depreciation to labor must revise those policy forms, through an endorsement or otherwise, and submit them to the CSI for approval no later than June 1, 2020.

Once the forms have been approved the correct version must be mailed to all policyholders and certificate holders within 60 days following approval.

If you have questions regarding claims handling or form filings, please contact the CSI Policyholder Services Bureau or the CSI Forms Bureau.

Thank you,

Derek J. Oestreicher
Special Assistant Attorney General