COVID-19 Updates

March 16, 2020

At 5:18 pm on March 16, 2020, the Insurance Department issued the following guidance on insurance operations and nonessential businesses.

The Administration has strongly urged non-essential businesses to close during mitigation periods to protect employees, customers, and suppliers. While the business of insurance is essential, many roles and functions of insurance offices may be administered remotely or are otherwise non-essential. We encourage carriers and agencies to use their discretion in determining essential functions for essential employees. For example, an agency may determine it is appropriate to close to walk-in visitors, while remaining open for business, and available to consumers, through calls and e-mail.

--------------------------------------------

At a recent press conference held on March 16, 2020, Governor Wolf strongly urged non-essential businesses state-wide to close for 14 days starting at midnight on March 16, 2020, to limit the spread of the COVID-19 virus through personal contact and surfaces.

Previously, the Department of Health and Department of Community and Economic Development issued a letter to businesses dated March 14, 2020, urging non-essential businesses in four counties to close. Here is their guidance:

“We strongly encourage businesses to act now before the Governor or the Secretary of Health find it necessary to compel closures under the law for the interest of public health, including section 7301 of the Emergency Management Services Code. As a matter of public health, it is the PA Department of Health’s strong recommendation that businesses cease operations to mitigate the spread of this disease. In particular, the following types of businesses should temporarily cease regular operations: • Community and recreation centers • Gyms, including yoga/spin/barre facilities • Hair salons, nail salons, and spas • Casinos, concert venues, and theaters • Bars • Sporting events facilities and golf courses • Non-essential retail facilities, including shopping malls (except for pharmacy or other health care facilities located therein) • NOTE: Liquor stores will begin an orderly closure. Individuals can still buy wine and beer at grocery stores with PLCB licenses • NOTE: Restaurants should stay open for carry-out and delivery only.”

While the Press conference and the March 14, 2020 letter used the terms “ordered to close,” the Administration admits that section 7301 of the Emergency Services Code has not been exercised to compel closure under the law.
The insurance industry has formally requested guidance from the Wolf Administration to clarify “non-essential businesses” and to make the case that insurance operations (agents, brokers, insurers, and related industries) are exempt from the order.

As of this writing (5:22 pm EDT), I am aware that the Wolf Administration received our communications and are formulating a response. We will keep you posted as details emerge.

Ron Gallagher, President, PAMIC