

# COMMONWEALTH OF VIRGINIA



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April 16, 2019

## Administrative Letter 2019-01

**TO: All Licensed Property and Casualty Insurers except those Licensed Exclusively to Write Workers' Compensation Insurance; All Rate Service Organizations; All Life and Health Insurers Licensed to Write Accident and Sickness Insurance; All Interested Parties**

**RE: House Bill 2186 and Senate Bill 1565 - Filing Requirements for Property and Casualty Travel Insurance**

The General Assembly passed House Bill 2186 and Senate Bill 1565 relating to the regulation of travel insurance. The legislation adds subsection D, "travel insurance," to § 38.2-126 (marine classification of insurance) and amends Article 9 of Chapter 18 of Title 38.2 of the Code of Virginia ("Code").

The legislation is effective for travel insurance **purchased on or after July 1, 2019** and is defined in § 38.2-1887 as follows:

Insurance coverage for personal risks incident to planned travel, including (i) interruption or cancellation of trip or event; (ii) loss of baggage or personal effects; (iii) damages to accommodations or rental vehicles; (iv) emergency evacuation; (v) repatriation of remains; or (vi) any other contractual obligations to indemnify or pay a specified amount to the traveler upon determinable contingencies related to travel as approved by the Commission.

"Travel insurance" may include appropriate provisions obligating the insurer to pay medical, hospital, surgical, and funeral expenses arising out of the death, dismemberment, sickness, or injury of any person, and death and dismemberment benefits in the event of death or dismemberment, if the death, dismemberment, sickness, or injury is caused by or is incidental to a cause of loss insured under the policy.

"Travel insurance" does not include major medical plans that provide comprehensive medical protection for travelers with trips lasting longer than six months, including those working or residing overseas as an expatriate.

Travel insurance, as included within the marine classification of insurance in § 38.2-126, is property and casualty insurance. The rule, rate and form filings for these travel insurance policies should be filed with the Property and Casualty Division.

In contrast, accident and sickness insurers offer policies providing “accident and sickness insurance while traveling,” which often include coverage for emergency evacuation and/or repatriation of remains. These policies are regulated pursuant to the accident and sickness insurance classification (§ 38.2-109) and must be filed with the Life and Health Division as an excepted limited benefit. Policies written to provide “accident and sickness insurance while traveling” shall not include property and casualty coverages such as interruption or cancellation of a trip or event; loss of baggage or personal effects; damages to accommodations; or rental vehicles.

The enactment of **House Bill 2186 and Senate Bill 1565 does not affect any programs currently filed and approved as “accident and sickness insurance while traveling” under § 38.2-109.** In addition, future submissions of programs or products covering “accident and sickness insurance while traveling” should continue to be filed under § 38.2-109 with the Life and Health Division.

Questions about this administrative letter should be directed to the:

Property and Casualty Division  
Rates and Forms Sections  
(804) 371-9965

Life and Health Division  
Rates and Forms Section  
(804) 371-9072

Sincerely,



Scott A. White  
Commissioner of Insurance