

PANDEMIC AAR AGENCY INPUT

Agency: Office of the Insurance Commissioner

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Executive Summary

The Executive Summary provides a brief overview of the agency's response to the pandemic, identified impacts, major strengths demonstrated during the response and areas identified that require improvement and/or changes to agency plans, policies, or procedures.

The Washington state Office of the Insurance Commissioner (OIC) protects insurance consumers and oversees the insurance industry. We make sure insurance companies follow laws and rules and that people get the coverage they've paid for. Each year, we answer questions and investigate problems for over 83,000 people and maintain a statewide network of volunteers who advise almost 85,000 consumers about health-coverage issues.

Delivery of OIC services was largely uninterrupted by the pandemic and the actions implemented to mitigate its impacts. The agency was able to adapt to meet consumer, insurer, and producer needs while working remotely.

OIC is more resilient because of the actions, policies, and procedures the agency implemented to mitigate against the pandemic. The ability to disperse and work remotely will be an important capability in future emergencies and disasters. Inclement weather in December 2021 and other emergencies demonstrated that remote work capabilities can mitigate against threats to agency facilities and operations.

The Commissioner issued six emergency orders related to the pandemic. These orders ensured that vaccination and testing are covered by insurance and consumers are protected against surprise billing, out-of-network charges, and ordered coverage for telehealth and vaccination consultations. Other orders extended grace periods related to property insurance claims and dental plan payments. The Commissioner also opened a special enrollment period for Washington state Health Benefits Exchange.

Impacts to the agency itself have been due to the high rate of staff turnover as the agency and the state have attempted to return staff to agency offices. Many staff have opted for private industry or retirement. This has multiplied the workload for staff involved in on-boarding and out-processing employees to and from the agency. The real impact of the turnover rate is the loss of institutional knowledge. Agency executives observed that the transition to remote work impacted the interpersonal element of the agency's work, but OIC continued to achieve goals and objectives.

The information in this response was collected by surveying agency executives and through a series of modular exercises based on the pandemic scenario. The agency has no response to items C, G, F, and H under "Agency's involvement in areas specifically listed in the legislation [SB 5092 (9)(d)(i) (A)-(H)]". OIC may provide further information or clarification as needed throughout the development of the statewide pandemic after-action report.

Agency Impact

Identify the impacts to the agency in these main areas:

Internally (how did the pandemic impact the agency's internal operations/administration)

The impact to the agency was the unplanned transition to a remote work culture. The agency was in the process of transitioning to Zoom, Slack, Teams, and other technologies for virtual meetings prior to the pandemic becoming a factor, so the agency was already positioned to transition to remote work with these tools and others. The return to work process is on-going, and the agency's hybrid office/remote work model is still being developed.

Policies were updated to include allowing electronic signatures, revised core hours, use and relocation of agency equipment such as laptops and other electronic devices, chairs, and office supplies to accommodate staff setting up and operating from remote office spaces.

The agency has experienced a high rate of turnover at all levels during the past year. Competition is strong for new employees. Many staff have left the agency to pursue other opportunities in government and private industries, and many have chosen retirement. Staff turnover has resulted in a loss of institutional knowledge, as noted by agency executives.

Only a handful of OIC staff reported either contracting Covid-19 or potential exposure. In accordance with guidelines, these staff were required to stay away from the office until they could ensure they tested negative. Staff who were in contact with those staff were also notified of their potential exposure by OIC's Human Resources staff. Vacancies due to refusal to comply with vaccine mandates were minimal for OIC.

To help maintain a safe office environment in response to Covid-19, OIC upgraded the HVAC system at its Tumwater facility with a bi-polar non-ionizing filtration system. This system is intended to provide cleaner air and may destroy airborne viruses including the Covid-19 virus.

Facilities enhanced cleaning and sanitizing in accordance with state guidance. Indoor masking and social distancing procedures were initiated at all OIC facilities. Break rooms and common areas were posted with restrictions on use. Conference rooms were also restricted so that in-person meetings are conducted according to social distancing recommendations. Staff were provided with PPE, including masks and hand sanitizer. Entrances and corridors were posted with masking instructions. Staff entering the building are required to attest that they are unaware of any Covid-19 symptoms or exposure.

A webpage for staff with links to resources for information and updates on Covid-19 and the federal, state, and agency response was maintained on the agency's internal website.

Budget impacts to the agency were minimal. The agency had technology acquisitions in its supplemental budget in order to move away from older less secure virtual desktop infrastructure (VDI) to laptops. The agency was preparing for these acquisitions prior to the onset of the Covid-19 pandemic. Laptops are the agency's preferred devices, as they are more adaptable to changing security requirements. The first slate of laptops to replace existing VDI equipment had been ordered before the pandemic began causing shortages of technology. The agency never had a need to resort to requesting resources from the State Emergency Operations Center.

Externally (how did the pandemic impact the agency's operations with its customers)

General

OIC's customers include insurers, producers, and consumers. Almost all the services OIC provides to these customers was transitioned to online and virtual services. Impacts were on certain in-person processes, such as service of process. Also, if small insurance companies and private individuals did not have a presence at their worksites so that they did not take receipt of hard-copy notices in time to respond, enforcement action and fines could result.

Throughout the pandemic, OIC maintained minimal staff on site to ensure that in person business needs such as service of process, mail, and deliveries were processed in a timely manner. OIC made effort to improve access and capacity for online payments and e-signatures to expedite processing. OIC staff was able to coordinate with the NAIC portal for filings, although staff did have to learn to work through interfaces on the portal to get the information they needed.

A webpage for consumers, insurers, and producers with links to resources for information and updates on Covid-19 and the federal, state, and agency response was maintained on the agency's external website. Public Affairs created five new consumer-oriented web pages related to coronavirus topics. OIC's posts to social media applications and web pages recorded a great deal of page views by the public and generated media calls from local and national media outlets.

Insurers

Financial examinations and other regulatory activities typically have an in-person element conducted by investigators and examiners visiting offices of insurance companies to review confidential records. During the pandemic, companies were reluctant to grant access to their offices. The agency was able to negotiate access to records virtually.

Insurers had continuity plans for a pandemic emergency, but not all had processes in place to activate their plans. Some insurers did have issues with data security, including some ransomware attacks on insurers. Some smaller firms and individuals didn't have the same capacity to transition to working remotely as larger entities.

Producers

During the pandemic, it had become more difficult for individuals to complete the licensing process due to closure of testing sites and cancellation of classes. To reduce the burden on the public, it was necessary to provide longer deadlines and enable online coursework. The Commissioner issued three emergency regulations to facilitate producer licensing activities. The rules ensured that individuals could successfully complete the producer licensing process by extending deadlines and enabling the ability for education courses to be efficiently converted to online courses by removing wait periods.

Consumers

Prior to the pandemic, consumers rarely required in-person contact with agency staff. OIC staff only took a few days to get the entire Consumer Hotline, email, and online/chat monitoring transitioned to remote operations. The impact of closing facilities to the public was minimal as almost all services to consumers can be addressed virtually or over the phone.

The consumer call center transitioned to remote operation smoothly. Some staff experienced technical issues around connectivity. Overall, Teams, Zoom, Slack and other technologies enhanced OIC's ability to pivot to delivering services from other divisions remotely as well.

Interagency (what was the impact to interagency operations)

Staff noted that communications were coming from multiple sources, making it difficult to act quickly while determining which information or guidance was the most accurate and carried the most significance. It became clearer as the pandemic progressed that guidance for development of return to work plans was originating at the State Human Resources/Office of Financial Management.

Agency's involvement in areas specifically listed in the legislation [SB 5092 (9)(d)(i) (A)-(H)]:

(A) Aspects of the COVID-19 response that may inform future pandemic and all-hazards responses.

OIC is much better prepared for a future emergency given its ability to immediately transition to remote work.

For example, a power outage at the main office in Tumwater in December 2021 also incapacitated the generator. With staff working remotely, there was no need to consider transitioning to alternate work locations or implementing OIC's MOU with DOL for alternate office space. Roughly 90 percent of staff were already working remotely. There was no impact to essential functions. Severe Inclement weather impacts in December 2021 were also mitigated as most staff could continue to work remotely throughout the event.

(B) Emergency responses that would benefit the business community and workers during a pandemic.

The call center received many inquiries regarding business interruption, business loss, and event cancellation coverage in the early stages of the pandemic. OIC requested information from insurers and found that most insurers specifically exclude pandemic impacts and civil (government) action from covered losses. Policy holders typically need an endorsement for that type of coverage.

The Commissioner issued three emergency regulations to facilitate producer licensing activities to address the impact of COVID-19 and the Governor's Stay Home – Stay Health Emergency Proclamation. The rules ensured that individuals currently engaged in the licensing process could successfully complete the producer licensing process by extending deadlines in the producer licensing process and enabling the ability for education courses to be efficiently converted to online courses by removing wait periods. During the pandemic, it had become more difficult for individuals to complete the licensing process due to closure of testing sites and cancellation of classes. To reduce the burden on the public, it was necessary to provide longer deadlines and enable online coursework.

The other emergency rule assisted licensed producers by allowing more time to renew their producer licenses and pay the required renewal fee. This reduced or eliminated late fees for those that were not able to promptly renew their licenses.

(C) Standards regarding flexible rent and repayment plans for residential and commercial tenants during a pandemic.

No Response

(D) Whether establishing regional emergency management agencies would benefit Washington state emergency response to future pandemics.

In November 2020, Insurance Commissioner Mike Kreidler [delivered recommendations to create a statewide disaster resilience office](#) to Gov. Jay Inslee, the Legislature and other state leaders, as recommended by the Disaster Resiliency Work Group.

The work group, a coalition of 30 state, local and Tribal governments, private sector and industry associations, was [authorized by the state Legislature in 2019](#). The work group was charged with reviewing and making recommendations on how to best coordinate and improve disaster resilience work in Washington state. The work group strongly recommended creation of an on-going resiliency program.

(E) Gaps and needs for volunteers to support medical professionals in performing their pandemic emergency response functions within Washington state.

No Response

(F) Gaps and needs for tools to measure the scale of an impact caused by a pandemic and tailoring the pandemic response to affected regions based on the scale of the impact in those regions.

No Response

(G) Gaps and needs in health care system capacity and case tracking, monitoring, control, isolation and quarantine, and deploying medical supplies and personnel; and

No Response

(H) Implementing guidelines for school closures during a pandemic.

No Response

Strengths

Major strengths identified –

- The ability to begin teleworking 100% within one- or two-days' notice. The agency had performance measures in place and were very successful in serving the public.
- The ability to deploy laptop computers for telework.
- The ability to use technology to answer hotline calls remotely – at a time when consumer calls were increasing.
- Remotely training health advisors across the state as well as provide outreach via remote technology.
- Staff were adaptable to major changes in how they completed their work.
- OIC had authorized the use of Zoom and SLACK channels for staff to use. IT had already vetted and made the software available, and staff were already working with these tools in the months/weeks prior to the pandemic outbreak.
- The agency implemented policies for remote hiring and training new employees.

Changes to agency plans, policies, or procedures -

OIC received federal approval to provide contractors with technology resources to facilitate Medicare counseling online, via Zoom, to those consumers who are aging and/or disabled.

Our division renegotiated contract performance goals for those providing healthcare counseling in local communities.

Updated/New Policies:

- Policy 13 – Telework
- Policy 16 – Return to Work
- Policy 55 – Electronic Signatures
- Policy 57 – Covid Vaccinations

Employee recognition events and other team building functions and celebration changed – requiring the agency to build social capital virtually.

The transition to virtual services did not impact most of OIC’s customers. OIC did close its doors to walk-ins, but there were very few in-person contacts even prior to the pandemic. Customers typically access OIC services via the phone or online.

Areas for Improvement

1. Technology to allow remote call monitoring (once bargained and approved by the Federation) to help train new staff and monitor for quality assurance during telework.
2. Challenges involved with paper processes that required in-office processing.
3. Return to work and return to school not coordinated, not occurring at the same pace. Staff returning to the office had difficulty coordinating with their children’s educational needs and lack of day care and availability of other services.

Follow up Actions (intent to change plans, policies, or procedures)

OIC will use the experience gained from the pandemic and the responses to it to update and validate its continuity plan.