

TRINIDAD NAVARRO
COMMISSIONER



STATE OF DELAWARE
DEPARTMENT OF INSURANCE

FORMS AND RATES BULLETIN NO. 40

TO: ALL INSURANCE CARRIERS DOING BUSINESS IN DELAWARE

RE: REQUEST FOR LETTER OF INTENT WHEN WITHDRAWING A LINE OF BUSINESS/PRODUCT FROM THE MARKET IN DELAWARE

DATED: May 3, 2024

REVISED: January 27th, 2025

The Department remains concerned about potential disruptions in the insurance marketplace caused by carrier withdrawals and the risk of carriers quietly exiting lines of business.

This Bulletin reminds all insurance carriers authorized to conduct the business of insurance in Delaware to notify the Department if they intend to terminate any or all of a business line or product that would lead to withdrawal from the State's market. Such notification does not exempt carriers from complying with all other applicable provisions of Title 18.

In addition to traditional methods of discontinuation of an insurance line or product, this notification request covers situations where insurance carriers cease employing agency-facing applications and other technological tools, processes (e.g., underwriter referrals), communications to producers, or any other changes to business practices that effectively result in the discontinuation or reduction of a line of business or product.

Letter of Intent

For purposes of maintaining transparency in the market and preventing unfair or discriminatory practices as outlined in [18 Del. C. § 2304](#), the Department requests that insurance carriers submit an informational letter of intent in scenarios outlined in the third paragraph of this Bulletin and under any of the following circumstances:

- The insurance carrier intends to discontinue an entire book of business at the end of the policy term.
- The insurance carrier intends to transition all business from its company to an affiliated or non-affiliated insurer.

➤ The insurance carrier does not intend to offer renewal to a block of insurance business.

Letters of intent should be submitted via the System for Electronic Rate & Form Filing (SERFF) at least 90 days before the insurance carrier intends to issue notices regarding withdrawal activity, as mandated for the affected line(s) of business in Title 18, unless another notification period is required by law. The notification should include the following details:

- Reason for the withdrawal
- Whether the withdrawal is specific to Delaware or if other jurisdictions are impacted
- Effective date of withdrawal
- Total Annual Premium loss
- Number of Delaware insureds that will be affected
 - List of each line of insurance and/or products(s) to be withdrawn, and
 - Geographical location (county)

The Department also requests that such notice be emailed to withdraw@delaware.gov.

Questions, comments, or requests for clarification about this Bulletin should be emailed to rate@delaware.gov.

This Bulletin shall be effective immediately and shall remain in effect unless withdrawn or superseded by subsequent law, regulation or bulletin.



Trinidad Navarro
Delaware Insurance Commissioner

NOTE: This Bulletin is intended solely for informational purposes. It is not intended to set forth legal rights, duties, or privileges, nor is it intended to provide legal advice. Readers should consult applicable statutes and rules and contact the Delaware Department of Insurance if additional information is needed.