



Oregon

Theodore R. Kulongoski, Governor

Department of Consumer and Business Services

Insurance Division

350 Winter St. NE

PO Box 14480, Salem, OR 97309-0405

503-947-7980

Fax: 503-378-4351

www.insurance.oregon.gov

CERTIFICATE OF INSURANCE ARTICLE

April 22, 2010

Oregon insurance producers and industry representatives have advised the Insurance Division that they are concerned about continuing pressure to modify certificates of insurance to satisfy contracts that require a much broader extension of coverage than the policy will provide.

Certificates of insurance state that they are issued as a matter of information only, and confer no rights upon the certificate holder. A certificate does not amend, extend or alter the coverage afforded by the policies represented.

Oregon Revised Statute (ORS) 742.003 addresses the filing and approval of policy forms. Certificates of insurance are not considered part of the policy contract and are not required to be filed. If a document is issued that alters the contract agreement in any way, an admitted company would be required to have filed the change in the contract and have it approved prior to changing the policy language and issuing a certificate.

The information on a certificate should represent the contract of insurance. There should be no variation in the information presented on the certificate from the coverage or conditions that are a part of that contract.

An insurance producer who issues a certificate of insurance that is not a representation of the policy contract could be in violation of ORS 744.074 (1) (e). The director has the authority to place a producer on probation, or to suspend or revoke the license of a producer who intentionally misrepresents the terms of an actual or proposed contract of insurance.