



**Department of Business Regulation**  
***Insurance Division***  
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## **Insurance Bulletin Number 2023-5**

### Fees added to Insurance Policies by Insurers

The purpose of this Bulletin is to clarify the position of the Department regarding the charging of fees in addition to policy premium on Property & Casualty insurance policies issued by admitted insurers.

The Rate Standards contained in R.I. Gen. Laws § 27-44-5(e)(3) states in part that expenses shall reflect the operating methods of the insurer, as well as actual and anticipated expense experience. It is the position of the Department that insurer operating expenses are required to be included as part of the filed rates and incorporated as part of the policy premium. Therefore, the Department does not allow the addition of fees to policies other than those charged for installments, late payments, or invalid or rejected payment methods. All fees must be actuarially justified. Installment fees may vary based on the number and frequency of installments but may not vary based on the method of payment. Policy, inspection, issuance, administrative, credit card, etc. fees are not allowed.

If an insurer provides the insured with services in addition to the policy terms, that are optional and elected by the insured, such as a “claims concierge” service, a fee may be charged for that service, separate from the policy.

Separate from this, there are restrictions on how an Insurance Producer may add service fees and charges with regard to Property & Casualty insurance policies, as presented in [Insurance Bulletin 2002-11](#) and [Insurance Bulletin 2006-2](#).

Questions, comments, or requests for clarification about this Bulletin should be emailed to [DBR.Insurance@dbr.ri.gov](mailto:DBR.Insurance@dbr.ri.gov).

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