



COMMONWEALTH OF MASSACHUSETTS

Office of Consumer Affairs and Business Regulation

DIVISION OF INSURANCE

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BULLETIN 2025-02

To: All Property and Casualty Insurers Writing Property and Casualty Coverage in Massachusetts

From: Michael T. Caljouw, Commissioner of Insurance

A blue ink signature of Michael T. Caljouw, Commissioner of Insurance, written over the "From:" line.

Date: April 30, 2025

Re: Underwriting Actions Based on the Use of Aerial Imaging

The Massachusetts Division of Insurance (“Division”) has heard concerns about insurers non-renewing, not issuing, or cancelling policies based upon aerial imagery technology in lieu of a physical property inspection. The Division offers the following guidance to provide clarification to insurance companies regarding the appropriate application of aerial imagery as an underwriting tool.

Use of Aerial Imagery

Insurers may employ aerial imagery technology to evaluate a property’s condition and have the right to refuse coverage if clear evidence of property degradation or damage exists.

However, insurers using aerial imagery and aerial images are expected to ensure the clarity and accuracy of these images. Further, cosmetic damage that does not fundamentally reflect the structural quality of a property or its propensity for loss, such as roof discoloration or streaking, should not be the sole basis for a non-renewal, cancellation, or declination to write a policy.

Physical Inspection of Property

Insurers are expected to use due diligence when using aerial imagery. If aerial imagery does not unequivocally provide clear evidence of property degradation or damage warranting a refusal to write or renew, the Division expects that insurers conduct thorough additional underwriting review, which may include a follow-up physical inspection to validate the underwriting decisions derived from aerial image data. Additionally, should any dispute about the underwriting decision arise due to the use of aerial images, the Division expects insurers to timely review any relevant material provided by an applicant or insured that contests the insurer’s findings regarding the poor condition of the property, and adjust the underwriting decisions accordingly.

Non-Renewals and Cancellations

Insurers are reminded that they must comply with all applicable Massachusetts laws, including the statutorily required notice requirements set forth in M.G.L. c. 175, § 193P and M.G.L. c. 175, § 99 regarding the cancellation and non-renewing of policies.

Insurers are expected to provide the insured and/or their agent with specific reasons for the nonrenewal so that insureds may attempt or arrange for necessary remedial action. The Division further encourages insurers to provide as much advance notice as possible, considering challenges associated with completing replacement or repairs within that period.

For information or questions about this bulletin, please contact the Division of Insurance at masspc@mass.gov.