

Terry DeMidio v. Vermont Mutual Insurance Company

Held January 28, 2016– Docket No. INS-16-2002

Decision Issued: February 5, 2016

The named insured requested a hearing to contest the nonrenewal of a homeowners policy for failure to comply with loss control recommendations. The hearing request was not timely; the insured alleged that delivery of the nonrenewal notice was delayed due to the mail requiring diversion to a different address.

Held: For the company. 24-A M.R.S.A. § 3051 allows nonrenewal if based upon a reason in good faith that is related to the insurability of the property, or upon grounds for cancellation pursuant to section 3049. Section 3049(10) permits an insurer to cancel a policy if the insured fails to comply with reasonable loss control recommendations within 90 days after notice from the insurer. The company demonstrated that its loss control recommendations were reasonable and that one or more had not been completed within 90 days. Accordingly, the nonrenewal was permitted. In addition, the insured failed to appear and therefore did not establish that the notice was received later than the date deemed received under the conclusive proof statute. Without documentation of a later receipt, the hearing request was not timely.