



DEPARTMENT OF

Professional &
Financial Regulation

STATE OF MAINE

- OFFICE OF SECURITIES
- BUREAU OF INSURANCE
- CONSUMER CREDIT PROTECTION
- BUREAU OF FINANCIAL INSTITUTIONS
- OFFICE OF PROF. AND OCC. REGULATION

MAINE BUREAU OF INSURANCE

FAQs Regarding Extended Grace Periods During the COVID-19 Pandemic

The Maine Superintendent of Insurance issued an Order on April 6, 2020, which requires insurance carriers to provide an extended grace period for individuals and fully-insured employer groups who are having difficulty paying insurance premiums due to the COVID-19 health emergency.

FAQs for individuals who have coverage through the Marketplace and receive Advance Premium Tax Credits (APTC)

What is the new grace period under the order?

The Order prohibits insurance companies from initiating the cancellation of your policy until at least June 1, 2020.

How do I obtain the extended grace period?

For most people receiving APTC, the extended grace period is automatic. However, there are different time periods that may affect what you need to do.

I am not yet late on my insurance premium payments, but I anticipate that I may be unable to make my next premium payment. Under the order, when can my insurance company cancel my coverage?

Your insurance company cannot initiate the cancellation of your policy until June 1, 2020. This extension is automatic, and you do not need to request it. If your insurer initiates a cancellation on or after June 1, 2020, you will have the usual grace period that applies to consumers who have a marketplace plan with APTC. This is a three-month grace period, which would begin on June 1, 2020 and would end in August 2020.

I have been late on my premium payments, and I am currently in the grace period prior to cancellation of my insurance. Can I get the extended grace period described in the Superintendent's order?

Yes. Your insurance company is required to terminate the grace period you are currently in, and it cannot begin the cancellation process again until at least June 1, 2020. This extension is automatic, and you do not need to request it. However, you may want to verify with your insurance company that they have terminated the grace period.

My insurance was terminated by my insurance company for nonpayment of premium after March 12, 2020, but before April 6, 2020. Can I get my insurance policy reinstated?

Yes, however, this reinstatement is not automatic. You must request this reinstatement from your insurance company. Your insurance company will require you to certify that your request is due to a hardship related to the COVID-19 health emergency. Qualifying reasons include

illness, layoff, furlough, business closure or substantial loss of income or business revenue. After your reinstatement is approved, your insurance company will not be able to initiate another cancellation of your policy until at least June 1, 2020.

Is my insurance company required to pay my hospital bills during this grace period?

Under the order, your insurance company must pay claims until June 30, 2020. After June 30, 2020, the insurance company may “pend” claims payments, meaning if you do not pay all outstanding premiums after that date, you, not the insurance company, are responsible for those claims.

Can I make partial payments to my insurance company or make other payment arrangements?

Yes, the order does not prohibit you from making premium payments. Check with your insurance company about possible payment options. It is important to remember that the extended grace period is a *deferral* of the premium payment obligation, it is not a *waiver* of this obligation. So, if you are able to make payments during the extended grace period you should do so. If you are experiencing financial hardship, you should also explore whether you might be eligible for increased APTC support, or eligible to enroll in MaineCare. You can get more information about MaineCare at www.coverme.gov.

FAQs for employers, and individuals who do not receive APTC premium assistance

What is the new grace period under the order?

If you have a qualifying reason for a premium deferral, the insurance company cannot cancel your policy prior to June 1, 2020 and must pay all claims incurred prior to June 1, 2020.

How do I obtain the extended grace period?

This grace period is not automatic. You must request this premium deferral period from your insurance company. Your insurance company will require you to certify that your request is due to a hardship related to the COVID-19 health emergency. Qualifying reasons include illness, layoff, furlough, business closure or substantial loss of income or business revenue.

Is my insurance company required to pay my hospital bills during this grace period?

If you have a qualifying reason for a premium deferral, the insurance company cannot cancel your policy prior to June 1, 2020 and must pay all claims incurred prior to June 1, 2020.

Am I still responsible for the premium payments, if I defer paying them until June 1?

Yes, the order requires insurance companies to allow deferment of premium payments. This is not a waiver of premium payments, so you still owe all premium amounts.

Can I make partial payments to my insurance company or make other payment arrangements?

Yes, the order does not prohibit you from making premium payments. Check with your insurance company about possible payment options. It is important to remember that the extended grace period is a *deferral* of the premium payment obligation, it is not a *waiver* of this obligation. So, if you are able to make payments during the extended grace period you should do so.

34 State House Station, Augusta ME 04333;

(207) 624-8475 or (800) 300-5000; TTY: Please use Maine Relay 711; www.maine.gov/insurance