



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

Insurance Emergency Response Order

Coronavirus Public Health Emergency

Supplemental Order Regarding Deferral of Premium Deadlines

By proclamation issued March 12, 2020, Governor Janet T. Mills declared that the anticipated impact of COVID-19 in this State has created a state of insurance emergency as defined in 24-A M.R.S. § 471. She has authorized and directed the Superintendent of Insurance, for the duration of that state of emergency, to exercise the emergency powers conferred by Sections 471 through 479 of the Insurance Code as necessary to protect the interests of health insurers, insureds, beneficiaries, or the public. Therefore, shortly after the Governor's proclamation and pursuant to 24-A M.R.S. § 478 and Bureau of Insurance Rule 765, Section 5, I ordered, effective immediately, certain emergency measures for all carriers offering health plans subject to the Maine Health Plan Improvement Act, as defined at 24-A M.R.S. § 4301-A(7). In Bulletin 442, I also notified all carriers doing business in Maine, in any line of insurance, that they must prioritize policyholders' needs and must make all reasonable accommodations for late premium payments and other problems that are beyond the policyholder's control. Today, I hereby order the following additional emergency measures, effective immediately and until further notice, for all carriers issuing health plans in Maine's individual, small group, and large group insurance markets:

Individual Policyholders Receiving Advance Premium Tax Credits (APTC): Carriers issuing individual coverage on the Health Insurance Marketplace must postpone the commencement of the premium grace period until at least June 1, 2020, for all policyholders receiving APTC who fail to pay premium when due. For any policyholder receiving APTC who is currently in a grace period, the carrier must terminate that grace period by unconditionally withdrawing the notice of cancellation and unconditionally reinstating coverage. Carriers may choose a date later than June 1 for commencement of the deferred grace period, but only if they apply it uniformly to all Maine policyholders receiving APTC. Policyholders whose coverage was terminated for nonpayment between March 12, 2020 and the date of this Order may apply to the carrier for reinstatement on the same terms provided below for policyholders not receiving APTC, if their failure to make up the premium arrearage before the end of their grace period was due to hardship arising out of the COVID-19 pandemic.

All Other Individual and Group Policyholders: Until at least June 1, 2020, carriers must provide relief from premium cancellation to any individual policyholder not receiving APTC and to any small or large group policyholder, if the policyholder applies to the carrier for such relief and certifies that the policyholder's inability to make timely premium payment was the result of hardship arising out of the COVID-19 pandemic, such as illness, layoff, furlough, business closure, or substantial loss of income or business revenue. Specifically, the carrier must refrain from completing or initiating cancellation or nonrenewal of any eligible policy for nonpayment of premium, and must reinstate, retroactively to the date of termination, any eligible policy that has been terminated for nonpayment of premium between March 12, 2020, and the date of this Order.


In General: Carriers may continue to issue premium bills, and must notify any insured whose coverage would otherwise be subject to termination that the extension of time to pay premium does not exempt or excuse the insured from the obligation to pay the premiums owed for the

insurance coverage that is provided, but only postpones the date that payment is due. Carriers must advise individuals with overdue premiums that they should explore whether they are eligible for MaineCare or for increased APTC or federal cost-sharing reductions; must advise individual and group policyholders with overdue premiums that they should explore both whether they are eligible for relief under the CARES Act or other state and federal programs that might help them maintain coverage; and must warn applicants for premium deferral that they could be subject to restrictions if they have received funding from any state or federal program relating to COVID-19.

The June 1 deferral date specified in this order is subject to further extension, if conditions so require, by a subsequent order of the Superintendent.

This Order does not apply to cancellation or nonrenewal at the request of the policyholder or certificateholder, nor to policy modifications or payment arrangements voluntarily agreed to between the carrier and the policyholder.

April 6, 2020



Eric A. Cioppa
Superintendent of Insurance