



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

2020 ANNUAL REPORT
FROM THE SUPERINTENDENT
OF THE MAINE BUREAU OF INSURANCE
TO THE LEGISLATURE

Prepared by the Maine Bureau of Insurance
September 2021

Janet T. Mills
Governor

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Commissioner

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I. INTRODUCTION

States are the primary regulators of the insurance industry in the United States. The Maine Bureau of Insurance (the Bureau) regulates insurance companies, producers and agents, as well as other entities engaged in the business of insurance in the State. The Bureau enforces solvency standards, as well as consumer protections, under the Maine Insurance Code.

In 2020, there were 1,378 insurance carriers doing business in Maine. The 19 carriers domiciled in the state received more than \$8.1 billion in premiums; total Maine premiums for both domestic and foreign insurers was more than \$8.5 billion.

In addition to the Bureau's primary function as a regulator, a large part its mission involves consumer assistance and education. Staff in both the Consumer Health Care Division and the Property and Casualty Division respond to consumer calls and written inquiries and investigate written complaints, to ensure carrier compliance with Maine law. If staff determine that there may be serious violations or a pattern of possible violations, the issue may be turned over to the Bureau's Market Regulation Unit for further investigation or to the Bureau's legal staff for possible enforcement action.

The Bureau's regulatory and consumer-focused activities resulted in a number of payments to the State, or to Maine consumers and businesses.

- Penalties and settlement payments to the State by insurance carriers and producers in 2020 totaled \$113,562.
- Restitution paid to insured Maine individuals and businesses by carriers, following investigations and hearings conducted by the Bureau, totaled \$1,383,577.
- An additional \$818,000 in life insurance and annuity benefits were matched to Mainers in 2020 through the National Association of Insurance Commissioners' Policy Locator tool.

In 2020, Bureau staff continued to play an active role in regulating the health insurance Marketplace established by the federal government's Affordable Care Act (ACA). The Maine Guaranteed Access Reinsurance Association (MGARA) continued to help stabilize the Individual Market. Premiums in the individual market decreased by an average of 12.5%. In 2020, the Bureau continued its work with the Governor's Office and the Maine Department of Health and Human Services on possible ways to similarly reduce premium rate increases in the Small Group Market.

Interstate cooperation and information-sharing are key elements of regulating national insurance companies in a state-based system. The National Association of Insurance Commissioners (NAIC) facilitates this process. The forums and tools offered by the NAIC provide critical information for the Bureau's regulatory responsibilities. The NAIC also accredits state insurance departments, ensuring that each state's financial regulation is sufficient to oversee its domestic market. The Bureau has been accredited by the NAIC since 1993 and has been an active participant in various NAIC events and working groups. In 2019, Bureau Superintendent Eric Cioppa served as President of the NAIC, having

previously served as President Elect in 2018, Vice President in 2017, and Secretary in 2016. He is currently Vice Chair of the Financial Stability Task Force. In September 2018, he was also appointed by his peers at the NAIC to serve a two-year term as the state insurance commissioner representative on the Financial Stability Oversight Council (FSOC); he was reappointed for another two-year term in 2020.

The Bureau also participates in supervisory colleges held by insurer groups' domiciliary states. Regulators whose states are responsible for affiliates of the group and international regulators participate in these colleges, which allow regulators to assess the risks borne by the subject insurance group and the risk mitigation strategies employed. Participation in both the NAIC forums and supervisory colleges enhances the Bureau's ability to monitor and proactively address regulatory issues.

The COVID-19 pandemic required that multiple actions be taken by the Superintendent and staff to assist consumers and industry on a myriad of insurance issues, including covid testing, telehealth services, temporary licensing approvals, and auto premium credits for reductions in driving. This work was done in coordination with Governor Mills' administration, the Maine Department of Health and Human Services and other agencies, as well as with the carriers. The Governor issued an "Order of Insurance Emergency" on March 12, 2020 and the Superintendent issued an "Insurance Emergency Response Order" the same day, followed by four Supplemental Orders and eleven Bulletins between March and September 2020. The content of these Orders is described in the sections below. Along with other governmental agencies, the Bureau's staff predominantly worked remotely in 2020, connecting through virtual meetings and networking apps. The COVID-19 pandemic required the Bureau, along with the rest of Maine State government, to create and master virtual systems quickly. Despite these unexpected changes, the Bureau maintained its productivity and the high level of quality in working with its regulated entities and Maine consumers and stakeholders.

II. BUREAU OF INSURANCE DIVISIONS AND UNITS

CONSUMER HEALTH CARE DIVISION

The CHCD regulates health, Medicare Supplement, disability, long-term care, annuities, and life insurance. Its responsibilities are:

- Investigates and resolves consumer complaints;
- Responds to consumer inquiries;
- Assists consumers in understanding their rights and responsibilities;
- Reviews and approves forms from insurance companies, such as certificates of coverage or summaries of benefits;
- Licenses medical utilization review entities (UREs);
- Provides oversight of the external review process and contracting with independent medical review entities;
- Drafts and reviews regulations;
- Brings enforcement actions against licensed entities when violations occur;
- Reviews managed health care plans for compliance with Maine's provider network adequacy standards;
- Reviews and approves registrations for preferred provider arrangements (PPAs);
- Co-reviews and approves (with the Financial Analysis Division) licenses for pharmacy benefit managers (PBMs);
- Develops outreach and educational materials;
- Coordinates compliance with the federal Affordable Care Act (ACA), as it pertains to the commercial health insurance market;
- Drafts legislative reports;
- Reviews complaints that include determinations of medically necessary care and complex health questions;
- Manages an independent dispute review (IDR) process and contracts with an independent dispute review entity;
- Conducts outreach to a variety of public and private groups;
- Participates in public-private efforts to improve health payment policy.

CHCD staff answered 2,701 telephone and written inquiries during 2020, as well as 98 requests for constituent assistance from state and federal officials. The most frequent inquiries related to individual health insurance, Medicare Supplement, and claim denials. Staff also responded to 247 written health, Medicare Supplement, disability, annuity, and life insurance complaints.

As part of the complaint investigation process, CHCD staff works to obtain restitution for consumers who have suffered a financial loss due to improperly denied claims, or due to claims which were not paid in accordance with the policy. In 2020, the CHCD obtained restitution of \$676,960 for complainants.

In 2020 CHCD reviewed 1,328 insurance contract form filings: 426 were filed for information only; 777 were approved or deemed acceptable; and the balance were either disapproved, withdrawn, or in process at year's end.

CHCD TOTALS	2016	2017	2018	2019	2020
Consumer Complaints Received	636	514	422	398	247
Consumer Inquiries Received	3,213	2,974	2,746	3,230	2701
Restitution to Consumers	\$705,727	\$1,238,371	\$1,233,821	\$1,328,529	\$676,960
Rate and Form Filings Received	1,607	1,467	1,395	1,359	1,328

An additional \$818,000 in life insurance policies was matched to Mainers in 2020 through the NAIC's Life Insurance Policy Locator, bringing the total matched to Maine consumers since the service began in 2017 to \$2,389,970. The Locator can be found under the "Consumer" tab at www.naic.org. Individuals who believe they are beneficiaries, executors or legal representatives of a deceased person may submit a search request form free of charge.

In 2020, CHCD staff held a hearing regarding updates to Rule 850, Health Plan Accountability, and held a stakeholder meeting on Rule 210, Standards for Prescription Benefit Managers. The Division also assisted in issuing seven bulletins providing industry guidance on a range of topics. (The Bureau's rules and bulletins can be viewed online.)

EXTERNAL REVIEW

The Bureau is currently contracted with three independent external review organizations: National Medical Review, Maximus Federal Services, Inc., and Island Peer Review Organization (IPRO). In 2020, the CHCD received fourteen (14) qualified requests for external review:

Twelve (12) of these requests were completed prior to January 1, 2021. Two were completed that were initiated in 2019. Of the completed requests, eight (8) were upheld, five (5) were overturned, and one (1) was partially overturned. There were no expedited external review cases.

There were seven (7) cases heard based on medical necessity of treatment:

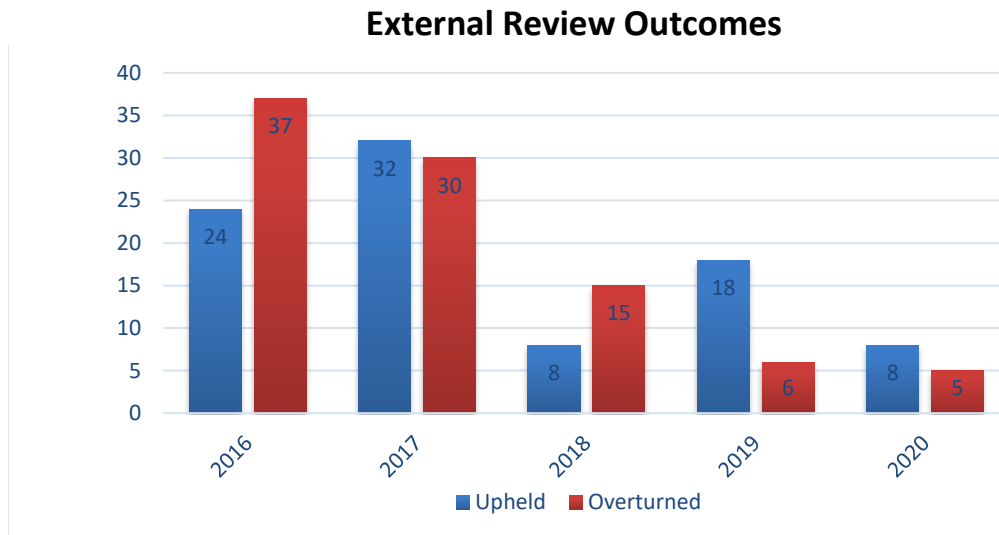
- Three (3) for mental health decisions/ substance abuse treatment,
- One (1) for medication therapy,
- One (1) for air ambulance services and
- Two (2) for general treatment decisions.

There were six (6) cases heard based on the treatments being experimental or investigational:

- Three (3) for genetic lab tests, and
- Three (3) for general treatment decisions.

There was one (1) case that was heard for decisions based on both medical and experimental for a general treatment decision.

The CHCD received and reviewed additional requests for external review that did not qualify under the statutes, either because the internal appeal process was not utilized prior to requesting external review or because the denial was based on issues other than the validity of the carrier's medical decisions. The graph below illustrates the number of external reviews upheld or overturned each year from 2016-2020.



Note that the total of the two outcomes for 2020 is 13 rather than 14; an additional review resulted in being partially upheld/partially overturned.

LIFE & HEALTH ACTUARIAL UNIT

The Life & Health Actuarial Unit provides actuarial and technical services to the Superintendent and Bureau staff. Tasks performed by the Unit are outlined below.

- Reviewing and taking appropriate action on rate filings, primarily for individual health, small group health, credit life and health, group and individual Medicare Supplement, and long-term care.
- Providing reserve analysis review of life and health insurance companies.
- Providing technical assistance to insureds, consumers, state agencies, and others on insurance matters.
- Studying proposed mandated benefit legislation as requested by the Legislature to determine the social impact, the financial impact, and the medical efficacy of the proposed mandate.
- Estimating the impact on health insurance premiums of proposed expansions of health care services requiring a certificate of need from the Maine Department of Health and Human Services.
- Assisting the Research and Statistics Unit with the collection of health insurance data:
 - Annual reports on mandated benefits claims experience;
 - Annual supplemental premium reports from health insurers;

- Annual reports on insured demographics for small group and individual health insurance;
- Annual reports on claims paid by third-party administrators and by insurers administering employers' self-funded health plans; and
- Preparation of quarterly "market snapshots" for the small group and individual health insurance markets.

In 2020, the Bureau's Life and Health Actuarial Unit worked to implement the insurance-related requirements of the Governor's Made for Maine Act. Standardized plans called "Clear Choice" were developed for the individual and small group market, through a stakeholder process using forums and submitted comments. The goal of Clear Choice plans as prescribed by the Act is to reduce consumer confusion and provide meaningful choices, by promoting a level playing field on which carriers compete on the basis of price and quality.

HEALTH-RELATED COVID-19 ACTIONS

(A full list of the Bureau's COVID-19 related regulatory actions and publications in 2020 can be found in Appendix A of this report.)

The following health-related interventions were part of the Superintendent's "Insurance Emergency Response Order" issued on March 12, 2020:

Access to care

- No copay/cost share for COVID screening or testing, if any of the following apply:
 - ◊ have symptoms of COVID
 - ◊ had close contact with a person diagnosed with COVID
 - ◊ work as a first responder or healthcare/congregate living staff
 - ◊ have elevated risk for exposure
- Telehealth: allows for audio-only (phone), and payment parity with in-person services.
- Vaccines - no cost-share, carriers will reimburse providers for vaccine administration fees.

Access to coverage

- Continuation of group coverage for employees subject to layoff or furlough, at employer's request.
- Deferral of grace period for premiums until June 1, 2020

In case of shortages

- No surprise billing (out of network fees) if networks become inadequate.
- Drug formulary substitutions in shortage situations.
- Provider credentialing applies to all of a health system's sites.

PROPERTY AND CASUALTY DIVISION

The Property and Casualty Division (P&C) performs three separate functions: review of insurer rate, rule, and form filings; resolution of consumer complaints; and administration of cancellation/nonrenewal hearings.

In 2020, P&C staff answered 2,119, telephone and written inquiries as well as 28 requests for constituent assistance from state and federal officials.

P&C staff also responded to 203 written complaints and obtained restitution of \$706,617 for consumers who suffered a financial loss due to improperly denied claims or claims that were not paid in accordance with the policy.

The P&C Division received 3,104 rate and form filings from insurance companies during 2020.

Property & Casualty Totals	2016	2017	2018	2019	2020
Consumer Complaints Received	254	262	236	228	203
Consumer Inquiries Received	2,794	2,754	2,240	2,206	2,119
Restitution to Consumers	\$264,048	\$538,924	\$342,903	\$747,320	\$706,617
Rate and Form Filings Received	3,444	3,587	2,829	2,975	3,104

The NAIC released two reports¹ in 2020 ranking Maine's personal auto and homeowners lines of insurance as 1st and 9th most affordable, respectively, in the nation. The reports, based on data from 2018 (the most recent year for which cumulative data was available to the NAIC), indicate that Maine consumers pay less for these types of insurance than do consumers in most other states.

HEARINGS

When an insurance company issues a notice of cancellation or nonrenewal of a homeowners or personal auto policy, the company must advise the insured of the right to request a hearing contesting the action. There is also a statutory right to request a hearing when a commercial property or liability policy is cancelled prior to its expiration date.

The hearing provides a forum to dispute the reason(s) and requires the Bureau to determine whether the cancellation or nonrenewal was done in accordance with Maine law. The following graph and table show the number of hearings scheduled and those resulting in decisions. In some cases, the insurance company or the insured may cancel the proceeding prior to hearing, which results in no issued decision. The policy will continue if the insurer cancels the hearing and the policyholder chooses to keep the policy. The policy ends if the policyholder cancels the hearing. The reason a policyholder usually cancels is because the policy has been replaced.

¹ The two NAIC reports are titled *2018 Homeowners Insurance Report* and *2017/2018 Auto Insurance Database Report*.

Hearing Results	2016	2017	2018	2019	2020
Number of Hearings Scheduled	126	86	75	65	45
Number of Decisions Issued	55	32	34	24	22
Findings for the Policyholder	11	13	12	5	4

WORKERS' COMPENSATION

The Property and Casualty Division is also responsible for processing all rate, rule, and form filings presented to the Bureau involving workers' compensation insurance, reinsurance for self-insurers, and occupational disability policies. In addition to these filings, the Division assists the actuarial staff with workers' compensation loss cost filings.

The Division also responds to general inquiries regarding workers' compensation premiums and policies, handles complaints regarding workers' compensation insurance rates, rules, and policy cancellations, and conducts research and special projects related to workers' compensation matters. Complaints regarding specific workers' compensation claims are under the jurisdiction of the Workers' Compensation Board. If the Workers' Compensation Board finds a pattern of improper claims handling practices, however, it can refer the matter to the Bureau.

The Property and Casualty Actuarial Work Unit reviews and approves or disapproves rate filings made by licensed insurance companies and by advisory organizations. The unit's responsibilities are outlined below.

- Reviews rate and rating rule filings;
- Reviews and analyzes loss cost filings by industry advisory organizations that gather experience and file expected loss figures that insurers use to establish rates and rating rules;
- Provides technical assistance to insureds, consumers, state agencies, and others on insurance-related matters;
- Reviews funding and reserves of workers' compensation self-insurance trusts;
- Provides reserve analysis of property/casualty insurance companies; and
- Provides technical assistance to the Superintendent in all aspects of property/casualty and workers' compensation matters.

PROPERTY/CASUALTY RELATED COVID-19 ACTIONS

(A full list of the Bureau's COVID-19 related regulatory actions and publications in 2020 can be found in Appendix A of this report.)

A number of bulletins were issued by the Superintendent to address the pandemic-related concerns impacting property and casualty lines, which included:

- Encouraging Property and Casualty insurers to offer premium reductions and credits to consumers, to account for pandemic-related changes. Relaxing rate filing and anti- rebating regulations to insurers who offer such reductions and credits. During early 2020, 98% of Maine’s Personal Auto market received premium refunds. Most of the refunds were in the area of 15% for 2-3 months.
- Encouraging insurers to be flexible when applying rating rules to applicants whose credit information may have suffered due to the pandemic.
- Warning insurers against making mid-term coverage changes to protect the insurer against pandemic-related exposure. Cautioning insurers against discouraging insureds from filing claims.
- Bureau staff successfully assisted consumers and other stakeholders with business interruption inquiries and coverage questions.

LICENSING DIVISION

The Licensing Division is responsible for processing and maintaining license records on insurance producers and business entities (agencies), including issuing and terminating licenses. Additional responsibilities include overseeing the licensing examination process and supervising the continuing education program.

Electronic processing of producer appointments, appointment terminations, and non-resident license applications, as well as participation in the NAIC’s National Insurance Producer Registry (NIPR) database, have made the licensing process more efficient, timely and uniform.

The Licensing Division processed 22,180 new licenses during 2020 for producers, consultants, adjusters, and business entities.

NUMBER OF NEW INDIVIDUAL LICENSES, 2020

	Producers	Consultants	Adjusters
Resident	555	2	47
Non-Resident	21,039	1	2,783
Total	21,594	3	2,830

NUMBER OF ACTIVE INDIVIDUAL LICENSES, 2020 (AS OF 12/31/2020)

	Producers	Consultants	Adjusters
Resident	5,662	35	753
Non-Resident	162,143	8	17,167
Total	167,805	43	17,920

ALTERNATIVE RISK MARKETS WORK UNIT

The Alternative Risk Markets Work Unit reviews and evaluates applications for workers' compensation self-insurance authority, captive entities, multiple employer welfare arrangements, group self-insurance reinsurance accounts, and the Maine Self-Insurance Guaranty Association. Its mission is to apply the rules and regulations governing these entities in a fair, consistent, and timely manner to assure that these entities remain solvent and that the Maine businesses utilizing alternative risk mechanisms do so effectively and responsibly.

Number of Self-Insurers for Workers' Compensation	2016	2017	2018	2019	2020
Individual Self-Insurers	59	56	58	57	57
Group Self-Insurers ²	18	18	18	18	18

FINANCIAL ANALYSIS DIVISION

The Financial Analysis Division is responsible for the financial regulation of domestic and foreign insurance companies, captive Risk Retention Groups, Health Maintenance Organizations, and surplus lines companies. The responsibilities include ongoing financial review of domestic companies; review of applications for licensure and surplus lines eligibility; review of amendments to certificates of authority, mergers, change of control, redomestications, and name changes. The Division is also responsible for regulating Managing General Agents, Third Party Administrators, Risk Retention Groups, Risk Purchasing Groups, Reinsurance Intermediaries, Viatical and Life Settlement Providers, Service Contract Providers, and approved reinsurers in Maine.

NUMBER OF INSURANCE COMPANIES LICENSED IN MAINE

Company Type	2016	2017	2018	2019	2020
Property and Casualty Companies	689	702	713	721	736
Life & Health and HMOs	345	346	348	346	345
Fraternal Companies	13	12	12	12	12
Surplus Lines Companies	159	162	170	176	193
Private Purchasing Alliance	1	1	1	1	1
Multiple Employer Welfare Arrangement (MEWA)	2	2	3	4	4
Captive	3	3	3	3	3
Risk Retention Groups	76	75	74	74	79
Non-Profit	2	2	2	2	2
Fire Assessment Company	3	3	3	3	3
Total	1,293	1,308	1329	1,342	1,378

² As of June 18, 2021, this represents 1,188 employers.

NON-MAINE HEALTH MAINTENANCE ORGANIZATIONS 2020 (MAINE ONLY PREMIUMS)

HMOs (State of Domicile)	12/31/20 Premium	12/31/20 Assets
Arcadian Health Plan, Inc. (WA)	85,766,153	1,596,487,759
Empire Healthchoice HMO Inc. (NY)	52,448,648	425,392,401
Harvard Pilgrim Health Care, Inc. (MA)	436,968,902	1,187,274,125
Meridian Health Plan of Michigan, Inc. (MI)	0	784,728,883
UnitedHealthcare of Wisconsin, Inc. (WI)	0	2,517,950,280
Total	575,183,703	6,511,833,448

DOMESTIC INSURANCE COMPANIES, 2020 (DOMICILED IN MAINE)

Maine Domestic	12/31/20 Premium ³	12/31/20 Assets
Aetna Health, Inc.	111,755,586	40,216,042
AMH Health, LLC	76,123,555	54,566,885
AMH Health Plans of Maine, Inc.	0	2,439,996
Anthem Health Plans of Maine, Inc.	1,164,378,048	619,182,017
Casco Indemnity Company	14,511,182	40,998,975
Great Falls Insurance Company	0	8,782,247
Maine Community Health Options	200,040,163	218,975,407
Maine Dental Service Corp	62,504,281	71,401,270
Maine Employers' Mutual Insurance Company	168,885,635	1,026,284,220
Martin's Point Generations Advantage, Inc.	526,517,053	188,070,093
Medical Mutual Insurance Company of Maine	53,107,144	362,157,706
MMG Insurance Company	219,837,209	333,381,721
Patriot Insurance Company	52,219,154	155,797,866
Patrons Oxford Insurance Company	50,266,773	26,233,319
Starmount Insurance Company	260,568,745	131,741,551
State Mutual Insurance Company	2,464,995	14,733,367
Unum Insurance Company	46,334,876	79,043,670
Unum Life Insurance Company of America	5,067,686,754	21,791,489,322
WellCare of Maine, Inc.	68,603,430	37,592,260
Total	8,145,804,583	25,203,087,934

³ Year-end direct written premium totals are reported on a **national** basis.

TOTAL 2020 MAINE PREMIUM (ALL LINES, BOTH DOMESTIC AND FOREIGN)

Lines	12/31/20 Premium	12/31/19 Premium
Life/Annuities	\$1,703,782,679	\$1,815,171,205
Health	\$4,356,974,511	\$4,096,022,825
Property/Casualty	\$2,434,687,216	\$2,371,582,019
Title	\$53,127,693	\$40,245,090
Risk Retention Group	\$5,894,156	\$5,187,479
Captive	UNAVAILABLE	UNAVAILABLE
Total	\$8,554,466,255	\$8,328,208,618

Note: Above totals do not include written premium of non-admitted excess and surplus lines.

NEW COMPANY LICENSES ISSUED IN 2020 (46 TOTAL)

Life and Health Insurance Companies	
AMH HEALTH PLANS OF MAINE, INC.	OCEANVIEW LIFE AND ANNUITY COMPANY
NASSAU LIFE AND ANNUITY COMPANY	PACIFIC GUARDIAN LIFE INSURANCE CO., LTD.
Property and Casualty Insurance Companies	
AMERICAN DIGITAL TITLE INSURANCE COMPANY	GREAT PLAINS CASUALTY, INC.
BEAZLEY AMERICA INSURANCE COMPANY, INC.	INSURANCE COMPANY OF THE SOUTH
BRICKSTREET MUTUAL INSURANCE COMPANY	LEMONADE INSURANCE COMPANY
CERITY INSURANCE COMPANY	MEDICAL MUTUAL INSURANCE COMPANY OF NORTH CAROLINA
CRONUS INSURANCE COMPANY	MOBILITAS GENERAL INSURANCE COMPANY
DAIRYLAND NATIONAL INSURANCE COMPANY	NORTHSTONE INSURANCE COMPANY
DIGITAL EDGE INSURANCE COMPANY	PINNACLEPOINT INSURANCE COMPANY
FALLS LAKE NATIONAL INSURANCE COMPANY	SUMMITPOINT INSURANCE COMPANY
Risk Retention Groups	
CIRCLE STAR INSURANCE COMPANY, A RISK RETENTION GROUP	SKYRAIDER RISK RETENTION GROUP, INC.
GRAPH INSURANCE GROUP, A RISK RETENTION GROUP, LLC	SMALL FLEET ADVANTAGE RISK RETENTION GROUP, INC.
MOTOR TRANSPORT MUTUAL RISK RETENTION GROUP, INC.	VANDERBILT INSURANCE COMPANY, A RISK RETENTION GROUP
OVERDRIVE RISK RETENTION GROUP, LLC	
Eligible Surplus Lines Insurance Companies	
AMERICAN FEDERATION INSURANCE COMPANY	GENERALI, ASSICURAZIONI GENERALI, S.P.A.
AZGUARD INSURANCE COMPANY	GNV CUSTOM INSURANCE COMPANY
CONVEX INSURANCE UK LIMITED	GRAY SURPLUS LINES INSURANCE COMPANY
CUMIS SPECIALTY INSURANCE COMPANY, INC.	KW SPECIALTY INSURANCE COMPANY
DORCHESTER INSURANCE COMPANY	PALOMAR EXCESS AND SURPLUS INSURANCE COMPANY
EVEREST INSURANCE (IRELAND), DAC	SIRIUS SPECIALTY INSURANCE CORPORATION
EVEREST INTERNATIONAL ASSURANCE, LTD.	STONEGATE INSURANCE COMPANY
FIDELIS INSURANCE BERMUDA LIMITED	SUPERIOR SPECIALTY INSURANCE COMPANY
FIDELIS UNDERWRITING LIMITED	ZURICH INSURANCE PLC
FORTEGRA SPECIALTY INSURANCE COMPANY	

FINANCIAL EXAMINATION DIVISION

The Financial Examination Division examines domestic insurers at least once every five years to ensure soundness of the insurance companies' financial position. All reports of examination are public and can be found on the Bureau's website. Financial statements for Maine-licensed insurance companies can also be found online.

FINANCIAL EXAMINATIONS COMMENCED IN 2020

Company	Report Issued
Great Falls Insurance Company	June 30, 2021
Maine Dental Service Corporation	June 17, 2021
Patriot Insurance Company	April 7, 2021
Patrons Oxford Insurance Company	June 29, 2021
State Mutual Insurance Company	June 17, 2021

FINANCIAL EXAMINATIONS SCHEDULED FOR 2021

Company	Financial Period Ending
Aetna Health, Inc. (a Maine corporation)	December 31, 2020
Casco Indemnity Company	December 31, 2020
Maine Employers' Mutual Insurance Company	December 31, 2020
MMG Insurance Company	December 31, 2020

MARKET REGULATION UNIT

The Market Regulation Unit is responsible for establishing and monitoring a compliance program for all licensees. This program includes both in-house analysis and on-site examination of licensees. The Market Regulation Unit uses the information available from a variety of sources and performs analysis on selected companies to determine which companies are deemed to be market outliers. Once a company is identified as a market outlier, the Market Regulation staff determines the most effective process for obtaining information from the company in order to identify why the company's results are outside the expected results for the Maine marketplace. The information gathering process could encompass many forms, including a meeting with the company, a data call, interrogatories, or – in select circumstances – a targeted or full scope market conduct examination.

The examination process typically focuses on the following areas: (1) company operations/management; (2) complaint handling; (3) marketing and sales; (4) producer licensing; (5) policyholder service; (6) underwriting; and (7) claims. Although the unit does not handle individual complaints, it does use complaint data to analyze licensee trends and business practices or patterns. This analysis is often a key factor in determining that a company is a market outlier and requires additional review.

In addition to conducting investigations, market analysis and onsite examinations, the Unit participates in multi-state examinations on behalf of the State of Maine. The State of Maine received payments in 2020 relating to Regulatory Settlement Agreements (RSAs) arising from multi-state examinations of certain companies' practices relating to life insurance policies and annuities and short-term medical plans.

The lead states' examinations and resulting RSAs call for the life/annuity companies to implement business reforms that will promote timely and efficient searches for beneficiaries of their in-force life insurance policies and annuities and lapsed policies, through regular matches of their insureds and annuitants against the Social Security Administration's Death Master File. (Lapsed policy match attempts are required for 18 months.)

The short-term medical carriers and related parties were required to ensure all Third-Party Administrators are appropriately licensed, each Association holds an appropriate Certificate of Authority, and that necessary regulatory approval is obtained for all plans offered. The carriers will also submit to ongoing audits and regulatory oversight.

During 2020, the State of Maine received \$32,892.39 in payments from these RSAs. The companies examined and the payment amounts were as follows:

2020 Multi-State Market Conduct Settlement Payments

Company	2020 Payment
Independence American Insurance Company	\$11,347.00
Standard Security Life Insurance Company	\$17,228.00
Madison National Life Insurance Company	\$ 4,049.39
Principal Life Insurance Company*	\$ 268.00
Total	\$32,892.39

*Principal Life also includes Principal National Life Insurance Company

Enforcement action was also taken in 2020 against the following companies:

2020 Bureau of Insurance Issued Consent Agreements and Settlement Amounts Received

Company	2020 Payment
Health Choice One, Inc	\$50,000
Total	\$50,000

RESEARCH AND STATISTICS UNIT

The Research and Statistics Division has the overall responsibility of creating, maintaining, and monitoring databases used by the Bureau. The objective of the unit is to collect, interpret, and provide data from regulated entities to Bureau divisions and units, other governmental agencies, and the public. Additionally, the unit researches issues for other Bureau divisions and units, serves as liaison between the Bureau and NAIC online applications, and maintains the Bureau's website.

ADMINISTRATIVE SERVICES UNIT

The Administrative Services Unit provides support for all divisions and units within the Bureau. Responsibilities include purchasing; new employee orientation and communication with human resources; travel arrangements and training registrations; copying and distribution of bound and electronic reports; processing and accounting of all Bureau revenue, and public information and media relations, and consumer outreach support.

III. Appendices

APPENDIX A – BUREAU OF INSURANCE COVID-19 REGULATORY ACTIONS AND PUBLICATIONS

Orders and Bulletins

- Insurance Emergency Response Order - Coronavirus Public Health Emergency (3.12.20)
 - Bulletin 442 - Emergency Measures Responding to the Coronavirus Pandemic (3.12.20)
 - Supplemental Order Regarding Credentialing (3.19.20)
 - Supplemental Order Regarding Remote Delivery of Health Services (3.20.20)
 - Supplemental Order Regarding Continuation of Group Health Coverage (3.27.20)
 - Supplemental Order Regarding Deferral of Premium Deadlines (4.6.20)
 - Bulletin 443 - Coronavirus Pandemic: Property and Casualty Coverage (4.7.20)
 - Bulletin 444 - Coronavirus Pandemic: Property and Casualty Premium Refunds (Superseded by Bulletin 452) (4.15.20)
 - Bulletin 445 - Coronavirus Pandemic: Temporary Licenses (4.15.20)
 - Bulletin 446 - Updated Uniform Deadlines for Rate, Form, and QHP Filings for Non-Grandfathered - Rescinded by order issued June 30, 2021
 - Individual and Small Group Health Plans With Effective Dates of Coverage During 2021 (4.4.200)
 - Bulletin 447 - Coronavirus Pandemic: Regulatory Filing Deadlines - Rescinded by order issued June 30, 2021 (4.29.20)
 - Bulletin 448 - Coronavirus Pandemic: Credit Scoring (5.11.2020)
 - Bulletin 450 - State Epidemiologist's Standing Order for COVID-19 Testing (6.18.2020)
 - Bulletin 451 - State Epidemiologist's Standing Order for COVID-19 Testing UPDATED (Superseded by Bulletin 453) (6.19.20)
 - Bulletin 452 - Coronavirus Pandemic: Property and Casualty Premium Refunds (Supersedes Bulletin 444) - Rescinded by order issued June 30, 2021 (8.20.20)
 - Bulletin 453 - State Epidemiologist's Standing Order for COVID-19 Testing (Supersedes Bulletin 451) - Rescinded by order issued June 30, 2021 (9.22.20)
 - Bulletin 455 - Coronavirus Pandemic: Discontinuation of Temporary Licensure (Supersedes Bulletin 445) - Rescinded by order issued June 30, 2021 (1.15.21)
 - Supplemental Order Regarding Roster Billing - (3.25.21)
 - Memo to Insurance Carriers
 - Sample Bill to Insurance CSV
 - Sample Bill Insurance Roster

Licensee Information

- Licensee and Continuing Education Updates Related to COVID-19 (3.25.20)

Consumer Information

- Information and a list of testing sites across Maine that are providing COVID-19 testing under the Governor's Standing Order.
- Consumer Guide to Insurance Provisions & Resources in Maine During the Coronavirus Crisis

- Taking a Trip? Information About Travel Insurance You Should Know Before You Hit the Road (Includes information on Epidemics and Pandemics) - by the National Association of Insurance Commissioners (4.27.20)
- Special Event Insurance: Hunting for an event space? Before you say 'Yes' learn about your insurance options by the National Association of Insurance Commissioners (4.30.20)

Press Releases

- Maine BOI Press Release 5.1.20 -- *Don't Rely on Travel Insurance to Cover COVID-19 Cancellations*
- Maine BOI Press Release 4.24.20 -- *Mainers Should Be Alert for COVID-19 Related Insurance Scams*
- Maine BOI Press Release 4.6.20 -- *Insurance Superintendent Lauds Allstate as the Company Announces a \$1.3 million "Shelter-in-Place-Payback" to Mainers*
- Maine DHHS Press Release 3.25.20 - *Governor Mills Acts to Promote Access To Health Care During COVID-19* (includes information about Insurance Superintendent's order related to fully-insured plans and telehealth)
- Maine BOI Press Release 3.25.20 - *Mainers Recently Unemployed Should Consider Their Health Insurance Coverage Options As Soon As Possible, Says Superintendent*

APPENDIX B – 2020 OUTREACH EVENTS

The Bureau's consumer outreach efforts aim to educate Maine individuals and businesses about their rights and responsibilities under Maine's insurance laws and the federal Affordable Care Act. The Superintendent and other Bureau staff members participate in public forums and events to provide this information, and to ensure that consumers are aware of the services the Bureau offers. The Superintendent and staff also make presentations to industry groups, to help keep them up to date on recent regulations and legislation.

In 2020, all in-person outreach events were cancelled due to the COVID-19 pandemic, however CHCD staff did participate in a number of virtual outreach and education efforts, primarily with members of industry:

- Maine Development Foundation Policy Leaders Academy, *Health Care Forum*, Augusta
- Maine State Chamber's Annual Leadership Summit, *Governor's Health Care Initiatives*, Newry
- National Association of Insurance & Financial Advisors, *Maine Chapter Meeting*, Augusta
- National Federation of Independent Business, *Maine Chapter Meeting*, Augusta
- Maine State Chamber of Commerce, *Health Care Forum*, Augusta, Virtual
- Aroostook Area Agency on Aging, *Medicare Supplement Insurance Volunteer Training*, Virtual
- Bureau-hosted Public Forum, *2021 Individual and Small Group Health Insurance Rates*, Virtual
- Insurance Regulatory Examiners Society Meeting, , Virtual
- Maine Insurance Agents Association, *Board Meeting*, Virtual
- ME Public, "Maine Calling," *Preparing for Natural Disasters*, Statewide via Radio/Streaming

- State-wide Area Agencies on Aging, *Medicare Supplement Insurance Volunteer Training*, Virtual
- Chartered Property Casualty Underwriters *Annual Meeting*, Virtual
- National Alliance of Life Companies, *Annual Meeting*, Virtual
- Maine Life & Health Guarantee Association, *Annual Meeting*, Scarborough
- ME Public, “Maine Calling,” *2021 ACA Open Enrollment*, Statewide via Radio/Streaming

APPENDIX C – PUBLICATIONS AND ONLINE TOOLS

The Bureau publishes reports on a variety of insurance topics, as required by statute or upon request by members of the Legislature. These are available on the Bureau’s website.

To help educate the public on insurance matters that can affect their daily lives, the Bureau publishes, distributes, and posts consumer brochures and online tools in multiple formats. The Bureau’s publications and online tools include:

Publications

Auto Insurance

Auto Insurance, A Consumer’s Guide
 Auto Insurance, Making the Claims Process Easier
 Cancellation or Nonrenewal of Personal Automobile and Property Insurance
 Credit Information - Understanding How Insurers Use
 Maine Driving Dynamics (Link to Maine Bureau of Highway Safety)
 Personal Auto Insurance Complaint Comparison
 Policy Forms Used by the 10 Largest Auto Insurance Groups in Maine
 Ten Things You Should Know About Buying Auto Insurance
 The Sharing Economy: Important Points to Consider Before “Sharing” Your Car or Home
 Youthful Drivers Guide

Commercial Insurance

Insuring Your Farm-The Basics of Property & Liability Coverage
 Insuring Your Business-The Basics of Property & Liability Coverage

Disability Insurance

Disability Insurance Guide

Health Insurance

External Review Guide: When Your Health Insurance Carrier Denies Benefits for Health Care Services
 Health, Disability and Long-Term Care Insurance Complaint Comparison
 Health Insurance Appeals Process Guide
 Health Insurance for Small Businesses, A Consumer’s Guide
 Health Insurance Tips

Health Savings Accounts (HSAs) link to information from the US Department of the Treasury
Hearing Aid Mandate, Effective January 1, 2020
Individual Health Insurance in Maine, A Consumer's Guide
Mandated Health Insurance Benefits, History of
Market snapshot - comparison of individual medical insurers in Maine
Market snapshot - comparison of small group health insurers in Maine
Short-Term Health Insurance Plans

Homeowners/Renters Brochures

Cancellation or Nonrenewal of Personal Automobile and Property Insurance
Credit Information - Understanding How Insurers Use
Child Care Liability, A Consumer's Guide
From Homeowner to Renter
Homeowner Insurance Complaint Comparison
Homeowners' Insurance, A Consumer's Guide
Homeowners Insurance, Making the Claims Process Easier
Homeowners' Inventory Checklist
Insuring Your Home Business
Natural Disasters, A Homeowners Insurance Guide (link to Federal Alliance for Safe Homes)
Ten Things You Should Know About Purchasing Home Insurance
Policy Forms Used by the 10 Largest Homeowners Insurance Groups in Maine
The Sharing Economy: Important Points to Consider Before "Sharing" Your Car or Home

Life Insurance & Annuities

Annuities, Ten Things You Should Know About Buying
Deferred Annuities
Deferred Annuities, Fixed
Deferred Annuities, Variable
Equity-Indexed Annuities: A Complex Choice (Financial Industry Regulatory Authority Investor Alert)
Life Insurance Information for Military Personnel
Life Insurance, Ten Things You Should Know Before Purchasing
Life Settlement Brochure For producers
Alternative Life Settlement Brochure For producers
Viatical and Life Settlements, What you Should Know

Long-Term Care Insurance

Long-Term Care Insurance Claim Denial Appeals Process
Long Term Care Insurance and Maine's Long-Term Care Partnership Program, A Consumer's Guide
Long Term Care Partnership Program Approved Policies
Long Term Care Policies Certified for Income Tax Purposes in Tax Years Ending 12/31/1999
Long Term Care Policies Certified for Income Tax Incentives in Tax Years Beginning 1/1/2002
Long Term Care Shopper's Guide (NAIC publication)

Medicare/Medicare Supplement

Are You Eligible for or Do You Have Medicare? (Aggressive Sales Practices)

Medicare Supplement Insurance, A Consumer's Guide (for plans issued beginning June 2010)

Understanding Medicare Enrollment Periods (link to Department of Health and Human Services)

Choosing a Medigap Policy (link to Medicare publication)

Workers' Compensation

Workers' Compensation Insurance in Maine, An Employers' Guide to

Opting Out: A Workers' Compensation Insurance Summary for Executive Officers of Corporations

Other

Pet Insurance

Online Tools

Consumer Tools

- File a complaint
- Glossary of terms
- Cancellation/Nonrenewal Hearing Notices
- Helpful links
- Independent Dispute Resolution
- Licensee Lookup
- Affordable Care Act Rate and Form Filings/Rate Hearings
- Individual Health Insurance Rate Calculator
- Small Group Health Insurance Rate Calculator
- E-news subscriber system (GovDelivery)
- Online and printable insurance information

Industry Tools

- Independent Dispute Resolution
- Physician Tiering Program Reporting
- Rural Medical Access Program
- Online Company Data Reporting System
- Company licensing forms and information
- Producer and Business Entity licensing forms and information
- Cancellation/Nonrenewal Hearing Notices
- E-news subscriber system (GovDelivery)
- Domestic Insurance Company Annual Statements