

MAINE STATE LEGISLATURE

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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

2021 ANNUAL REPORT
FROM THE SUPERINTENDENT
OF THE MAINE BUREAU OF INSURANCE
TO THE LEGISLATURE

Prepared by the Maine Bureau of Insurance
October 2022

Janet T. Mills
Governor

Anne L. Head
Commissioner

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Acting Superintendent

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I. INTRODUCTION

OVERVIEW

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 2021, there were 1,414 insurance carriers doing business in Maine. The 19 carriers domiciled in the state received more than \$8.4 billion in total premiums across all jurisdictions; total Maine premiums for both domestic and foreign insurers was more than \$9.4 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 2021 totaled \$235,504.
- Restitution paid to insured Maine individuals and businesses by carriers, following investigations and hearings conducted by the Bureau, totaled \$1,312,533.

HEALTH INSURANCE MARKETPLACE INITIATIVES

Bureau staff continue to play an active role in regulating the health insurance Marketplace established by the federal government's Affordable Care Act. (Maine completed the transition to a state-based marketplace in 2021.) Premiums in the individual market decreased by an average of 11% in 2021, largely due to the stabilizing effect of the Maine Guaranteed Access Reinsurance Association (MGARA), which was relaunched in 2019 following approval of Maine's 1332 State Innovation waiver application; and due to the expansion of Medicaid that same year. In 2021, the Bureau worked with the Governor's Office and the Maine Department of Health and Human Services on ways to similarly stabilize the small group market. These efforts included submitting an amended 1332 State Innovation waiver, which proposed to merge the individual and small group markets into a single risk pool and to extend the stabilizing protections of the MGARA program to small groups. The waiver entailed extensive work by the Bureau's actuarial staff, including overseeing multiple actuarial studies and facilitating numerous stakeholder meetings.

SMALL BUSINESS HEALTH INSURANCE PREMIUM RELIEF PROGRAM

Additional work to support the small group market included the start-up and administration of the Small Business Health Insurance Premium Relief Program, established through the Governor's Maine Jobs and Recovery Plan. This program will provide \$39 million in premium support to qualifying small businesses from November 2021 through April 2023. The program was created with funds from the federal American Rescue Plan Act. The Bureau held stakeholder meetings and met with carriers to develop contracts and the terms of the program and credits. The Bureau also created an informational webpage and a calculator for use by small businesses to determine the correct amount of the premium credit payments to be shared with their employees. In the month of December, nearly \$2 million was dispersed to 5,745 small businesses, providing premium relief to 44,269 employees and their dependents. A total of nearly \$4 million was disbursed in the two months of operation in 2021.

NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

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. Staff throughout the Bureau are members of NAIC committees and participate in NAIC trainings, which address ongoing and emerging issues critical to the successful regulation of the insurance industry and to the protection of consumers. In 2021 – his final full year prior to retirement and two years following his NAIC presidency – Superintendent Cioppa served as Vice Chair of the Financial Stability Task Force and continued his second term as the NAIC appointed state insurance commissioner representative on the U.S. Treasury Department's Financial Stability Oversight Council.

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.

COVID-19

On June 30, 2021, Superintendent Cioppa repealed the insurance emergency response orders that he had enacted in 2020 in response to Covid-19, which followed Governor Mills' proclamation of a state of emergency due to the pandemic.

Other regulatory actions taken by the Superintendent in 2021 are listed at the end of this report in Appendix A – Regulatory Actions.

II. BUREAU OF INSURANCE DIVISIONS AND UNITS

CONSUMER HEALTH CARE DIVISION

The CHCD is responsible for regulation related to health, Medicare supplement, disability, long-term care, annuities, and life insurance. Its responsibilities include:

- Investigates and resolves consumer complaints;
- Responds to consumer inquiries;
- Assists consumers in understanding their rights and responsibilities;
- Reviews and approves forms, such as certificates of coverage or summaries of benefits;
- Licenses medical utilization review entities (UREs);
- Licenses pharmacy benefits managers (PBMs);
- Provides oversight of the medical and long-term care external review processes and contracts with independent review entities;
- Oversees an Independent Dispute Resolution (IDR) process and contracts with an independent IDR entity;
- 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);
- 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;
- Conducts outreach to a variety of public and private groups;
- Participates in public-private efforts to improve health payment policy.

CHCD staff answered 3,009 telephone and written inquiries during 2021, as well as 40 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 226 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 2021, the CHCD obtained restitution of \$1,150,668 for complainants.

CHCD reviewed 1,256 insurance contract form filings in 2021.

CHCD TOTALS	2017	2018	2019	2020	2021
Consumer Complaints Received	514	422	398	247	226
Consumer Inquiries Received	2,974	2,746	3,230	2701	3,009
Restitution to Consumers	\$1,238,371	\$1,233,821	\$1,328,529	\$676,960	\$1,150,668
Rate and Form Filings Received	1,467	1,395	1,359	1,328	1,256

EXTERNAL REVIEW

Medical Reviews

Pursuant to Title 24-A M.R.S. § 4312 (7-A), the Bureau currently has contracts with three independent external review organizations: National Medical Review, Maximus Federal Services, Inc., and Island Peer Review Organization (IPRO).

In 2021, the CHCD received fifty requests for external review, thirty-seven of which met the statutory criteria for the external review process.

Of the thirty-seven qualified requests for medical external review received in 2021, thirty-six were completed prior to January 1, 2022 and another two were completed that had been initiated in 2020, for a total of 38 completed reviews in 2021.

Of the completed requests

- Sixteen were upheld, twenty were overturned, one was partially overturned, and one was withdrawn prior to review.
- Eleven were expedited external review cases.

Twenty-three cases related to medical necessity of treatment

- Five for mental health decisions/substance abuse treatment,
- Six for medication therapy,
- Twelve for general treatment decisions.

Fifteen cases related to the treatments being experimental or investigational:

- Thirteen for genetic lab tests, and
- Two for general treatment decisions.

Thirteen requests did not qualify for external review for the following reasons:

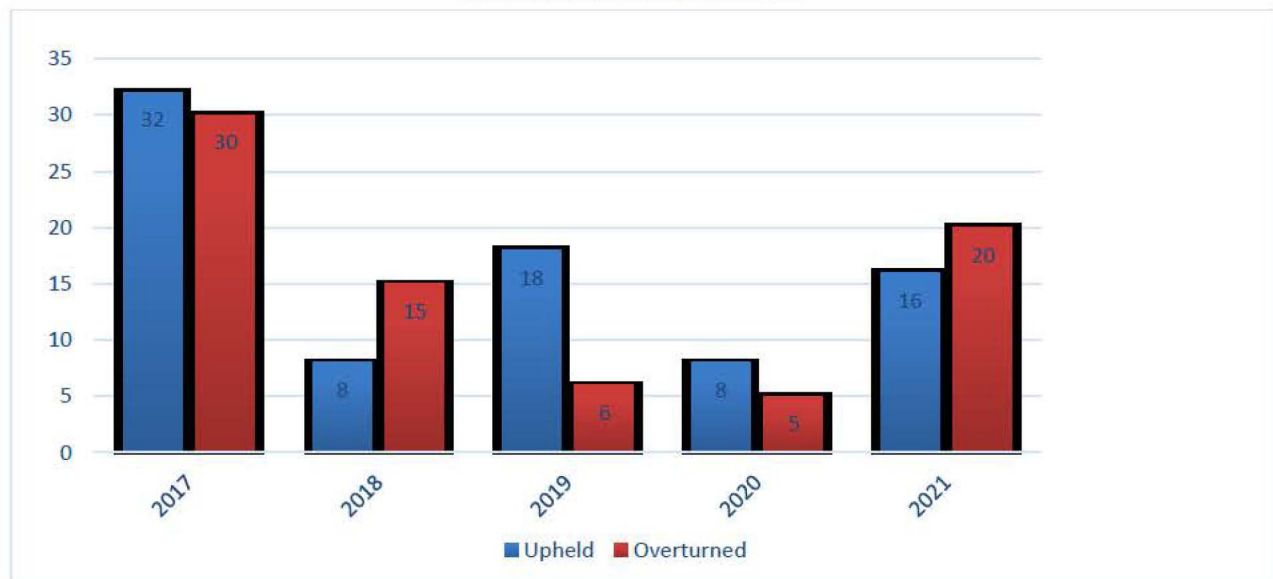
- the internal appeal process was not utilized prior to requesting external review
- the denial was based on issues other than the validity of the carrier's medical decisions
- the consumer's plan was not regulated by the State of Maine.

The following table illustrates the status of external reviews by insurance carrier for 2021.

	Anthem	Aetna	CIGNA	CHO	Harvard	Other	Total
38 Qualified External Review Requests*:							
Total Requests – by Carrier	46	4	2	1	5	5	63
Not qualified	5	2	0	1	3	2	13
Consumer didn't complete process	15	0	0	0	2	3	20
Submitted for External Review:	26	2	2	1	7	0	38*
Withdrawn prior to hearing	0	0	0	1	0	0	1
38 Reviews Completed by 1/1/22 – Breakdown by Qualifying Issue							
Experimental/Investigational	12	1	0	0	2	0	15
Pre-Existing Condition	0	0	0	0	0	0	0
Care/Treatment/Diagnosis	0	0	0	0	0	0	0
Medical Necessity	14	1	2	1	5	0	23

*As noted in narrative above, this number includes 2 external review requests that were in process from 2020.

External Review Outcomes



Note that the total of the two outcomes for 2021 is 36 rather than 38; an additional review resulted in being partially overturned, and one withdrew prior to review.

Long-term Care Reviews

In 2021, the Bureau received one request for a long-term care external review. In this case, the independent reviewer's decision upheld the insurer's denial of benefit on the grounds that the member did not demonstrate, through argument or documentation provided for the review, that the member met the carrier's criteria for long-term care benefits.

INDEPENDENT DISPUTE RESOLUTION (IDR)

In 2019 Maine's "Act to Protect Consumers From Surprise Emergency Bills" was enacted. The law established a process for healthcare providers, persons covered by a self-insured/ERISA plan, and for uninsured patients to request resolution of billing disputes for covered emergency services rendered by out-of-network medical service providers. The Bureau of Insurance has contracted with Maximus Federal Services to facilitate the independent dispute resolution (IDR) process. In 2021, there were 19 total requests for IDR; 16 decisions were in favor of the health plan and 3 requests were withdrawn. Per the law, each case involved emergency medicine, specifically emergency room evaluation and patient management charges. (More information can be found in the Bureau's annual IDR report.)

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 2021, the Bureau's Life and Health Actuarial Unit continued to work on implementing portions of the Governor's Made for Maine Health Coverage Act. Standardized plans called "Clear Choice" were developed and refined for the individual and small group markets, 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. In addition, the unit oversaw several actuarial studies and facilitated numerous stakeholder meetings in advance of the Bureau's submission of an amended 1332 waiver to the Centers for Medicare and Medicaid Services, to merge the individual and small group markets and to cover small group plans with the protections of the Maine Guaranteed Access Reinsurance Association.

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 2021, P&C staff answered 1,633, telephone and written inquiries as well as 10 requests for constituent assistance from state and federal officials.

P&C staff also responded to 209 written complaints and obtained restitution of \$161,685 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 2,672 rate and form filings from insurance companies during 2021.

Property & Casualty Totals	2017	2018	2019	2020	2021
Consumer Complaints Received	262	236	228	203	209
Consumer Inquiries Received	2,754	2,240	2,206	2,119	1,633
Restitution to Consumers	\$538,924	\$342,903	\$747,320	\$706,617	\$161,685
Rate and Form Filings Received	3,587	2,829	2,975	3,104	2,672

The NAIC released two reports¹ in 2022 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 and 2019 (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. In most cases where a policyholder cancels a hearing it is because replacement coverage has been obtained.

¹ The two NAIC reports are titled *2019 Homeowners Insurance Report* and *2018/2019 Auto Insurance Database Report*.

Hearing Results	2017	2018	2019	2020	2021
Number of Hearings Scheduled	86	75	65	45	55
Number of Decisions Issued	32	34	24	22	17
Findings for the Policyholder	13	12	5	4	6

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.

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 34,489 new licenses during 2021 for producers, consultants, adjusters, and business entities.

NUMBER OF NEW INDIVIDUAL LICENSES, 2021

	Producers	Consultants	Adjusters	Total
Resident	709	1	69	779
Non-Resident	29614	0	3234	32848
Total	30323	1	3303	33627

NUMBER OF NEW BUSINESS ENTITY LICENSES, 2021

	Producer BE	Consulting Firm	Adjusting Firm	Total
Resident	38	0	1	39
Non-Resident	789	0	34	823
Total	827	0	35	862

NUMBER OF ACTIVE INDIVIDUAL LICENSES, 2021 (AS OF 12/31/2021)

	Producers	Consultants	Adjusters	Total
Resident	7639	35	794	8468
Non-Resident	198044	8	19478	217530
Total	205683	43	20272	225998

NUMBER OF ACTIVE BUSINESS ENTITY LICENSES, 2021 (AS OF 12/31/2021)

	Producer BE	Consulting Firm	Adjusting Firm	Total
Resident	826	4	21	851
Non-Resident	6841	4	266	7111
Total	7667	8	287	7962

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	2017	2018	2019	2020	2021
Individual Self-Insurers	56	58	57	57	55
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	2017	2018	2019	2020	2021
Property and Casualty Companies	702	713	721	736	747
Life & Health and HMOs	346	348	346	345	349
Fraternal Companies	12	12	12	12	13
Surplus Lines Companies	162	170	176	193	210
Private Purchasing Alliance	1	1	1	1	1
Multiple Employer Welfare Arrangement (MEWA)	2	3	4	4	4
Captive	3	3	3	3	3
Risk Retention Groups	75	74	74	79	82
Non-Profit	2	2	2	2	2
Fire Assessment Company	3	3	3	3	3
Total	1,308	1329	1,342	1,378	1,414

² As of June 3, 2022, this represents 1,173 employers.

NON-MAINE HEALTH MAINTENANCE ORGANIZATIONS 2021 (MAINE ONLY PREMIUMS)

HMOs (State of Domicile)	12/31/21 Premium	12/31/21 Assets
Arcadian Health Plan, Inc. (WA)	100,018,353	1,751,171,759
Empire Healthchoice HMO Inc. (NY)	484,443	431,037,302
Harvard Pilgrim Health Care, Inc. (MA)	442,963,105	1,216,639,392
Meridian Health Plan of Michigan, Inc. (MI)	0	993,516,741
UnitedHealthcare of New England, Inc. (RI)	0	492,033,121
UnitedHealthcare of Wisconsin, Inc. (WI)	0	2,657,928,682
Total	543,465,901	7,542,326,997

DOMESTIC INSURANCE COMPANIES, 2021 (DOMICILED IN MAINE)

Maine Domestic	12/31/21 Premium ³	12/31/21 Assets
Aetna Health, Inc.	131,609,092	45,839,992
AMH Health, LLC	170,491,948	113,783,409
AMH Health Plans of Maine, Inc.	2,119,282	4,889,788
Anthem Health Plans of Maine, Inc.	1,144,242,806	683,378,987
Casco Indemnity Company	15,817,610	44,561,721
Great Falls Insurance Company	-	7,961,454
Maine Community Health Options	174,654,326	184,016,793
Maine Dental Service Corp	68,416,989	77,603,379
Maine Employers' Mutual Insurance Company	179,859,284	1,090,269,355
Martin's Point Generations Advantage, Inc.	555,718,725	185,229,637
Medical Mutual Insurance Company of Maine	51,120,199	392,132,436
MMG Insurance Company	231,233,541	362,516,905
Patriot Insurance Company	51,989,061	164,147,259
Patrons Oxford Insurance Company	52,830,098	27,222,512
Starmount Life Insurance Company	273,613,121	132,125,682
State Mutual Insurance Company	2,923,913	15,346,124
Unum Insurance Company	133,555,728	117,897,389
Unum Life Insurance Company of America	5,110,462,559	22,629,657,177
WellCare of Maine, Inc.	88,659,602	48,131,473
Total	8,439,317,884	26,326,711,472

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

TOTAL 2021 MAINE PREMIUM (ALL LINES, BOTH DOMESTIC AND FOREIGN)

Lines	12/31/21 Premium	12/31/20 Premium
Life/Annuities	\$2,177,098,958	\$1,703,782,679
Health	\$4,582,796,231	\$4,356,974,511
Property/Casualty	\$2,632,939,107	\$2,434,687,216
Title	\$75,388,619	\$53,127,693
Risk Retention Group	\$7,486,440	\$5,894,156
Captive	UNAVAILABLE	UNAVAILABLE
Total	\$9,475,709,355	\$8,554,466,255

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

NEW COMPANY LICENSES ISSUED IN 2021 (40 TOTAL)

Life and Health Insurance Companies	
AMERICAN BENEFIT LIFE INSURANCE CO	MONITOR LIFE INSURANCE CO OF NEW YORK
CITIZENS SECURITY LIFE INSURANCE CO	
Property and Casualty Insurance Companies	
ALLIED WORLD NATIONAL ASSURANCE CO	INDEMNITY NATIONAL INSURANCE CO
ALLSTATE NORTH AMERICAN INSURANCE CO	MTAW INSURANCE CO
AMTRUST TITLE INSURANCE CO	NATIONAL SUMMIT INSURANCE CO
CM SELECT INSURANCE CO	OBSIDIAN INSURANCE CO
COLISEUM REINSURANCE CO	SUTTON NATIONAL INSURANCE CO
FIRST NATIONAL TITLE INSURANCE CO	VANTAPRO SPECIALTY INSURANCE CO
Risk Retention Groups	
EMERGENCY CAPITAL MANAGEMENT, A RISK RETENTION GROUP, LLC	SECURITY CASUALTY RISK RETENTION GROUP, INC.
LONG IRON INSURANCE RISK RETENTION GROUP, INC.	TECHNOLOGY TRANSPORTATION MUTUAL RISK RETENTION GROUP, INC.
PARK WOOD RISK RETENTION GROUP, INC.	
Eligible Surplus Lines Insurance Companies	
ACCELERANT SPECIALTY INSURANCE CO	PARTNERRE IRELAND INSURANCE DAC
ACCREDITED SPECIALTY INSURANCE CO	QBE EUROPE SA/NV
AWBURY INSURANCE CO	ROCKINGHAM SPECIALTY, INC.
CHAUCER INSURANCE CO DAC	SPECIALTY BUILDERS INSURANCE CO
EVERSPAN INDEMNITY INSURANCE CO	SUMMIT SPECIALTY INSURANCE CO
HIGHLANDER SPECIALTY INSURANCE CO	SUTTON SPECIALTY INSURANCE CO
MERCER INSURANCE CO	TEXAS INSURANCE CO
OBSIDIAN SPECIALTY INSURANCE CO	WESTFIELD SPECIALTY INSURANCE CO
PALMS INSURANCE COMPANY, LIMITED	
Health Maintenance Organizations	
UNITEDHEALTHCARE OF NEW ENGLAND, INC.	UNITEDHEALTHCARE OF WISCONSIN, INC.
Fraternal Insurance Company	
GBU FINANCIAL LIFE	

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 2021

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 2022

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 its own examinations, the Unit participates in multi-state examinations on behalf of the State of Maine. The State of Maine received payments in 2021 from a Regulatory Settlement Agreement (RSA) arising from a multi-state examination of an insurer’s handling of its Life, Accident, Health and Disability business.

The lead states’ examination and resulting RSA calls for the insurer to implement appropriate oversight of its third-party contractors and producers, to ensure they are properly licensed and authorized to do business in the state; maintain records of business transacted, advertising material, and complaints; establish uniform complaint handling; update its rate and form filings; ensure claims handling procedures are in accordance with state requirements; and ensure that all marketing and sales material accurately reflect approved policy provisions and benefits.

Multi-State Market Conduct Settlement Payments

Company	2021 Payment
Companion Life Insurance Company	\$16,809.00
Total	\$16,809.00

Other Issued Consent Agreements and Settlement Amounts Received

Company	2021 Payment
Alliance for Shared Health, Inc.	\$75,000
Christian Discount Alliance, LLC d/b/a Shared Health Alliance	\$75,000
Redpoint Resolutions, LLC*	\$10,000
Total	\$160,000

*Signed by the Superintendent on 1/24/2022; signed and penalty paid by the company in December 2021.

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. In 2021, the unit worked extensively with staff throughout the Bureau to prepare migration of the agency website to a new platform in early 2022.

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; public information and media relations, and consumer outreach support.

III. Appendices

APPENDIX A – REGULATORY ACTIONS

The following is a list of the Rules, Bulletins and Orders issued by the Bureau in 2021.

Rules:

- Rule 391 – Motor Vehicle Insurance Identification Cards, effective January 1, 2022.
- Rule 735 – Term and Universal Life Insurance Reserve Financing, effective January 1, 2022.
- Rule 740 Amendment (2021) – Credit for Reinsurance, effective March 1, 2022.
- Rule 851 – Clear Choice Designs for Individual and Small Group Health Plans, effective June 8, 2021.
- Rule 856 – Combination of the Individual and Small Group Business Health Insurance Risk Pools, effective January 24, 2022.
- Rule 942 – Rating Factors and Loss Ratio Requirements for Health Plans, effective June 28, 2021.

Bulletins:

- Bulletin 462 – Maine Insurance Data Security Act, issued October 4, 2021.
- Bulletin 461 – Legislative Changes Affecting Personal Automobile Insurance, issued September 13, 2021.
- Bulletin 460 – Changes to laws Governing Payment for Emergency Services (Supersedes Bulletin 454), issued September 13, 2021.
- Bulletin 459 – Insurance Coverage for Services Provided Through Telehealth, issued August 5, 2021.
- Bulletin 458 – Clear Choice Designs for the 2022 Individual Health Insurance Market, issued June 11, 2021.
- Bulletin 457 – Surplus Lines Eligibility for Property Insurance Placement of Insurance in Surplus Lines Market, (Supersedes Bulletins 328, 414, and 439), issued April 14, 2021.
- Bulletin 456 – Uniform Deadlines for Rate, Form, and QHP Filings for Non-Grandfathered Individual and Small Group Health Plans With Effective Dates of Coverage During 2022, issued April 9, 2021.
- Bulletin 455 – Coronavirus Pandemic: Discontinuation of Temporary Licensure (Supersedes Bulletin 445), issued January 15, 2021. Rescinded by Order Issued June 30, 2021.
- Bulletin 454 – Out-of-Network Ambulance Services, issued January 6, 2021.

Orders:

On June 30, 2021, Superintendent Cioppa repealed the insurance emergency response orders that he had enacted in 2020 in response to Covid-19, which followed Governor Mills' proclamation of a state of emergency due to the pandemic.

APPENDIX B – 2021 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 2021, all but a couple of the outreach events the Bureau participated in were held virtually, due to the COVID-19 pandemic. The following are the events CHCD staff participated in:

- Area Agencies on Aging, *Medicare Supplement Insurance Volunteer Training*
- Association of Insurance Compliance Professionals, New England Chapter Roundtable
- Maine Insurance Agents Association Meeting
- University of Southern Maine, Risk Management Course
- University of Southern Maine Risk Management Course
- University of Southern Mainer Risk Management Course
- University of Maine, Augusta Early College course, *Life Insurance*
- University of Maine, Augusta Early College course, *Health Insurance*
- University of Maine, Augusta Early College course, *Disability Insurance*
- University of Maine, Augusta Early College course, *Annuities*
- University of Maine, Augusta, Early College course, *Auto, Home/Renter Insurance*
- Bureau of Insurance, *Public Information Meeting re 2022 ACA Health Insurance Rate Filings*
- Maine State Chamber of Commerce, Health Care Forum
- Maine Life and Health Guaranty Association Meeting
- Area Agencies on Aging, *Medicare Supplement Insurance Volunteer Training*
- Area Agencies on Aging, *Medicare Supplement Insurance Volunteer Training*
- Chartered Property Casualty Underwriters Meeting
- National Association of Insurance & Financial Advisors Meeting
- Maine Association of Health Underwriters Meeting
- National Alliance of Life Companies Conference
- MainePublic, *Maine Calling, re 2022 Open Enrollment*
- Aroostook AAA Med Sup Training
- American Property Casualty Insurance Association
- Bureau of Insurance, *Public Information Meeting re Genworth Rate Filings*

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 and distributes consumer brochures and posts additional consumer information and online tools on its website. 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 (NAIC Publication)
Deferred Annuities, Fixed (NAIC Publication)
Deferred Annuities, Variable (NAIC Publication)
Equity-Indexed Annuities: A Complex Choice (Financial Industry Regulatory Authority Investor Alert)
Life Insurance Information for Military Personnel (NAIC Publication)
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/Rate Table (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
- Small Business Health Insurance Premium Relief Program credit 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