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Regulatory Activity Bulletin 488

Bulletin 488

Flexibility Requested for Federal Employees and other Impacted Persons

Many Maine residents are experiencing financial hardship due to the continuing federal government shutdown. In response to this disruption, the Bureau requests that all Maine licensed insurance companies be flexible and proactive in working with policyholders who are experiencing temporary financial hardship due to the shutdown to keep essential insurance policies in place. This includes federal employees and other persons whose pay has been directly impacted, such as persons whose employment relies upon federal grants and contracts which have been affected by the shutdown. Specifically, the Bureau requests that all insurance companies provide these affected policyholders with at least a 60-day grace period to pay insurance premiums or other flexible payment options so that insurance policies are not cancelled for nonpayment of premium and penalties are not assessed during this challenging time.

The requested grace period and flexible payment options are intended to be applied to premiums due after the initial premium has been made to secure coverage. They are not intended to change the terms of the issued policy or to be considered a forgiveness of the premium. This request is directed to all admitted and non-admitted insurance companies that provide any insurance coverage in Maine including life, health, auto, property, casualty, and other types of insurance. The Bureau encourages all carriers to maintain open communications with their policyholders regarding challenges they may be facing due the federal shutdown and to act in good faith to assist affected policyholders.

October 31, 2025

/s/

Robert L. Carey

Superintendent of Insurance

NOTE: This Bulletin is intended solely for informational purposes. It is not intended to set forth legal rights, duties, or privileges, nor is it intended to provide legal advice. Readers should consult applicable statutes and rules and contact the Bureau of Insurance if additional information is needed.

Value Added Table	
Description	Dated October 31, 2025. The Bureau of Insurance issued this Bulletin addressing the financial challenges faced by Maine residents due to the ongoing federal government shutdown. The bulletin specifically targets Maine-licensed insurance companies, including both admitted and non-admitted insurers, urging them to adopt flexible measures to assist policyholders whose financial stability has been negatively impacted by the shutdown. This includes federal employees and individuals whose employment depends on federal grants and contracts affected by the shutdown. The Bureau requests insurers to provide a minimum 60-day grace period for premium payments or offer other flexible payment options to ensure that essential insurance policies, such as life, health, auto, property, casualty, and other types of insurance, are not canceled for nonpayment of premiums or subjected to penalties during this period. The grace period and flexible payment options apply only to premiums due after the initial premium has been paid to secure coverage. These measures are not intended to alter the terms of the issued policy or constitute forgiveness of the premium. The Bureau emphasizes the importance of maintaining open communication with policyholders and encourages insurers to act in good faith to assist affected individuals. Insurers are urged to proactively address challenges faced by policyholders and ensure that coverage remains intact during this time.

Lines of Business	Personal P&C Personal Automobile, Personal Credit, Personal Earthquake, Personal Flood, Personal Homeowner Warranty, Personal Homeowners, Personal Inland Marine, Personal Liability, Personal Property, Personal Title, Personal Umbrella/Excess Liability, Personal Vehicle Service Contract, Personal Watercraft Commercial P&C Commercial Aircraft, Commercial Automobile, Commercial Boiler and Machinery, Commercial Credit, Commercial Crime, Commercial Crop/Hail, Commercial Earthquake, Commercial Farmowners, Commercial Fidelity, Commercial Financial Guaranty, Commercial Flood, Commercial General Liability, Commercial Inland Marine, Commercial Medical Malpractice, Commercial Mortgage, Commercial Ocean Marine, Commercial Professional Liability, Commercial Property, Commercial Surety, Commercial Title, Commercial Umbrella/Excess Liability, Workers' Compensation Life Funeral Service Contract, Group Annuities, Group Blanket Life, Group Corporate Owned - Key Person, Group Credit Life, Group Deferred Annuities, Group Fixed Annuities, Group Industrial Life, Group Term Life, Group Universal Life, Group Variable Annuities, Group Variable Life, Group Whole Life, Individual Annuities, Individual Corporate Owned - Key Person, Individual Credit Life, Individual Deferred Annuities, Individual Fixed Annuities, Individual Industrial Life, Individual Term Life, Individual Universal Life, Individual Variable Annuities, Individual Variable Life, Individual Whole Life, Viatical Settlements Health Continuing Care Facilities, Group Accident, Group Blanket Medical and Disability, Group Comprehensive Major Medical, Group Credit Accident and Health, Group Critical Illness/Specified Disease, Group Dental, Group HMO/Managed Care, Group Industrial Health, Group Long Term Care, Group Long Term Disability, Group Medical/Surgical - Outpatient Benefits, Group Medicare Supplement, Group Short Term Disability, Group Stop Loss, Group Supplemental - Hospital Indemnity, Group Vision, Individual Accident, Individual Comprehensive Major Medical, Individual Credit Accident and Health, Individual Critical Illness/Specified Disease, Individual Dental, Individual HMO/Managed Care, Individual Industrial Health, Individual Long Term Care, Individual Long Term Disability, Individual Medical/Surgical - Outpatient Benefits, Individual Medicare Supplement, Individual Short Term Disability, Individual Stop Loss, Individual Supplemental - Hospital Indemnity, Individual Vision, Medicaid
	Claims Finance/Accounting General Compliance Legal Policy Management Underwriting
	011 - All Lines 300 - The policy 350 - Noninsurance contracts 560 - Finance and investments 580 - Fees and taxes 720 - Information practices 800 - Legal procedure / proceedings 840 - Government agencies
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