

Maine Workers Compensation Board Defines 'Independent Contractor'

There are some new rules in Maine around Workers Compensation Insurance and Independent Contractors. The Maine Workers Compensation Board has issued a newsletter with some important information.

Independent contractors are workers who perform services for remuneration under a verbal or written contract, but who are not under the essential control or superintendence of another person, both under the person's contract of service and in fact. The worker must also meet specific criteria.

In order for a person to be an independent contractor they must meet the test in §102(13-A) of the Workers' Compensation Act. An independent contractor is not required to have workers' compensation insurance; however an independent contractor is required to have workers' compensation insurance for any employees hired by the independent contractor.

[Newsletter from Maine Workers Compensation Board](#) – June 2019

Helpful Info: Health Savings

Account Contribution Rules

Many employers offer high deductible health plans (HDHPs) to control premium costs and pair this coverage with HSAs to help employees with their health care expenses. Due to an HSA's potential tax savings, federal tax law includes strict rules for HSA contributions. [Click here for a Compliance Overview summarizes the contribution rules for HSAs. \(PDF, new window\)](#)

ATV Info – Is there an age limit for operating an ATV in Maine?

Whenever you own and operate a motor vehicle, regardless if it is for recreation or normal transportation, it is critical to follow all of Maine's legal requirements, both for insurance coverage and for who rides (and operates) the vehicle.

With regards to ATVs, there are unique requirements specific to Maine, so if you've moved from out of state, or if you recently purchased such a vehicle, it is necessary to stay up to date on the latest regulations.

Age Requirements for Operating ATVs

In Maine, no person under the age of 10 may operate an ATV. Anyone younger than 16 must first successfully complete a training course approved by the state. They must also be accompanied by an adult.

Anyone under the age of 16 is not allowed to cross any public way outside of the purpose of crossing as directly as possible while ensuring it does not interfere with traffic approaching from either direction.

Insurance

It is important to have ATV insurance coverage. With potential roll overs, damaged fenders or vehicles submerged in water during operation, you do not want to be forced to pay for costly repairs on your own. ATV insurance may also cover theft, whether on your property or if you are towing it to a recreational location.

Registration

Just like with your automobile, you need to have an active registration on any ATV you own and operate.

Some costs to consider include:

- Resident registration is \$33 annually
- Nonresident registration is \$68
- Nonresidents may apply for a 7-day \$53 ATV registration

There is also a free ATV weekend currently scheduled for Aug. 16-18, 2019.

To make sure you and your vehicle are properly protected, make sure to contact Allen Insurance and Financial for insurance quotes on your ATV.

Is Snowmobile Insurance Required in Maine?

Like a car, you must register your snowmobile if you own it in Maine. When it comes to insurance, however, the law is much more flexible. In fact, there are no real Maine snowmobile insurance requirements or licensing requirements – only laws determining who can ride, as well as how and where they can ride.

That does not mean you should be without insurance coverage, though. Snowmobiles are not only fun and practical, but they can also be dangerous. Having the right insurance can protect you against major losses and financially devastating liability.

Third-Party Snowmobile Insurance Requirements

Even though the state does not require snowmobile insurance, you may still be required to purchase coverage from a third party.

For example, if you financed the purchase of your snowmobile, your lender will probably want you to purchase insurance that protects your sled against physical damages until your note is paid in full. If you store your snowmobile somewhere other than your home, the property manager may also require proof of coverage.

Types of Snowmobile Coverage

Snowmobile insurance is usually no more than a few hundred

dollars per year, but it can save you tens of thousands of dollars in injury, property, and liability damages. Even the safest of drivers can fall through ice on their sled or run into a fence in poor visibility.

Depending on the terms of your coverage, your policy may protect you against a wide range of snowmobile-related claims, including:

- Collision damages
- Non-collision damages, such as fire or theft
- Injury to you and your passengers
- Victim medical expenses
- Property damage liability
- Legal fees if you are sued
- Judgments and settlements if you lose your defense

At Allen Insurance and Financial, we can help you assess your risks and examine various options to minimize your exposure to loss. For more information or to request your snowmobile insurance quote, contact our office today.

Some Best Practices for Health Insurance Enrollment

Health insurance is a valuable benefit offered by businesses to their employees. You're glad it's there, but let's be realistic

– when it comes to the paperwork involved, we know many people would rather be doing something else. Here are some best practices to streamline your business’s health insurance enrollment.

1. Plan ahead by creating a realistic schedule for open enrollment by beginning with the end in mind.

Ideally, your open enrollment period should end no later than 30 days prior to the end of your plan year or renewal date. This kind of timely action builds in a buffer for delay or error in the process.

Once you determine the ending date of open enrollment, back up from there to schedule open enrollment meetings, print forms or materials, distribute or mail open enrollment packets, etc. We’re here to help.

2. Collect all required information for each plan participant (employee or dependent).

This may include:

- Last Name, First Name and Middle Initial (exactly as provided in previous enrollments)
- Social Security Number (unique and accurate identifying information for each dependent)
- Address
- Date of Birth (unique and accurate identifying information for each dependent)
- Gender
- Hire Date (if an employee)
- Coverage Effective Date
- Product Coverage (Medical, Dental, Flex)
- Date of Termination, if applicable, and Reason for Term (especially needed for COBRA)
- E-mail address

3. Double-check all data. Accurate completion of all fields on any enrollment or waiver forms now saves time, delay and

aggravation later. Insurance companies can use only the information they are given.

4. Educate employees about the guidelines of spending accounts associated with their health coverage. For example, FSAs are “use it or lose it” accounts, where contributions made to an FSA during a calendar year can be used only for eligible expenses incurred during the same year – unless your plan provides for either a grace period or a carryover.

And – if your employees have flex debit cards, remind them to save all receipts for purchases made with the card as well as the cards themselves, even if the allocated FSA total amount has already been used.

Additionally, discussing these items with your agent can help with the decision-making process: Your budget for health insurance and contribution strategy (for the business and for the individual employee) and the health insurance networks the insured employees use or prefer to use.

Let’s Talk About Flood Insurance



The very first thing you need to know about flood insurance is that it is not included in a standard homeowners insurance policy.

Sometimes a property is in a flood zone and a lender requires flood insurance. Perhaps the flood maps in your area have changed and your property (or part of it) has been mapped into a flood zone. We can help with flood insurance as well as share

some resources to help answer questions about the new map. But also consider that for the purposes of insurance, flood losses include those resulting from water overflowing rivers or streams, heavy or prolonged rain, storm surge, snow melt, blocked storm drainage systems, broken dams or levees or other similar causes.

Flood insurance is complicated. It's expensive only sometimes. Each case is as unique as the property to be covered, which is why it's best to talk with your insurance agent. National Flood Insurance Program insurance can be purchased only with the help of an appointed insurance agent. We can help.

We can run a flood zone determination and a flood insurance quote. There is no charge for this. Even if your property isn't on the coast, or a lake or a pond, it's worth your time.

Insurance Term: Insurance to Value

Imagine how devastating it would be to lose your home in a fire. Now imagine not being able to rebuild it completely because you didn't have the correct amount of insurance.

Selecting the proper amount of coverage is the single most important decision you can make with your Homeowners policy. Without it, you may not have enough coverage to rebuild after a total loss. This is called "insurance to value." Below are some explanations and tips to help you make the right choices for your needs – and remember, if you need help, we're just a phone call away!

What is insurance to value?

Insurance to value is the relationship between the amount of coverage selected (typically listed as "Coverage A" or "Dwelling Coverage" on your policy declarations page) and the amount required to rebuild your home. Insuring your home for anything less than 100% insurance to value could mean you wouldn't have enough coverage to replace your home in the event of a total loss

Why is the cost to rebuild different from the market value?

A home's market value reflects current economic conditions, taxes, school districts, the value of the land and location, and other factors unrelated to construction cost. The cost to rebuild your home is based only on the cost of materials and labor in your area. It is important that you insure your home based on its reconstruction cost, NOT its current market value

Why is reconstruction more expensive than new construction?

New-home builders typically build many homes at once, and solicit bids from various sub-contractors to receive the best pricing. Their business model is based on economies of scale. For example, they may purchase 20 bathtubs at once, securing a lower unit cost. These economies of scale don't exist when building a single home.

How can I make sure I have the correct amount of insurance?

- Work with your agent to provide detailed information at time of purchase to be sure that you receive a thorough and accurate quote.
- Ask us about additional coverage options that may be available.
- Review your insurance to value calculation on a regular basis with your agent.
- Tell your agent about any changes or improvements that you make to your home.

2019 Open Enrollment Checklist for Group Health Insurance

To prepare for open enrollment, health plan sponsors should be aware of the legal changes affecting the design and administration of their plans for plan years beginning on or after Jan. 1, 2019. In addition, health plan sponsors should make sure that open enrollment packages include certain participant notices. This Compliance Overview includes an open enrollment checklist for the 2019 plan year.

You can download this helpful PDF from our partners at Zywave.

[Click here.](#)

Let us know if you'd like to receive these kinds of notices. Email newsletter@allenif.com with your request.

Karen Reed Earns CPIA Designation



Karen Reed,
CRIS, CPIA

Karen Reed, a member of our business insurance team, recently earned the designation of Certified Professional Insurance Agent

(CPIA), a professional designation conferred by the American Insurance Marketing and Sales Society [\(the AIMS Society\)](#).

The CPIA designation, received after completion of three in-depth seminars, stands for professionalism, commitment to sales training and results, and technical knowledge. The designation requires a bi-annual continuing education update.

Reed, of Appleton, has been with Allen Insurance and Financial for 25 years and specializes in insurance for contractors and large businesses. She is also certified as a Construction Risk and Insurance Specialist (CRIS), and is a member of the Maine Association of Building Efficiency Professionals.

The AIMS Society is the only insurance organization dedicated solely to recognizing training and service quality among property and casualty insurance personnel. The mission of the AIMS Society is to improve the selling skills and insurance knowledge of its members by upgrading professionalism through information and education, which will result in providing better service to the insurance-buying public.

Travel and Trip Insurance to Protect Your Investment



Vacations can sometimes cost thousands of dollars so it is important to have the proper insurance protection in case the cruise or tour operator goes bankrupt or you need to cancel the trip due to illness or other unforeseen events.

There are four major types of travel insurance,

although you can also purchase packages that offer several options, including Trip Cancellation, Lost Baggage, Medical, Dental, Emergency Evacuation, 24 Hour Traveler Assistance, Baggage Delay, Travel Delay, and Accidental Death Coverages. Some policies also have options for Collision/Damage coverage for rented cars.

Travel insurance can cover:

- Trip cancellation or disruption as the result of illness or death, a crisis at work, financial default on the part of a at your operator or other unexpected events
- Medical treatment not covered by your existing insurance
- Getting home after a medical emergency, earthquake, tsunami or other environmental event or political upheaval

Generally, there are three types of insurance plans to cover these events. They are:

- Standalone evacuation plans
- Standalone medical insurance plans (including evacuation)
- A more comprehensive plan including trip cancellation and interruption coverage and medical and evacuation coverage

Among the many factors to consider:

- The coverage level your health insurance plan provides, for both emergency and non-emergency care outside the U.S.
- The likelihood you would have to cancel your trip because of an illness (you, your travel companion or close relative)
- The level of non-refundable costs involved with your trip

[Click for more information from III.org.](#)

[Get a travel or trip insurance quote from Allen Insurance.](#)