

HOUSE BILL No. 4625

May 17, 2017, Introduced by Rep. Whiteford and referred to the Committee on Insurance.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 3173a (MCL 500.3173a), as amended by 2012 PA
204.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3173a. (1) The Michigan automobile insurance placement
2 facility shall **REVIEW A CLAIM FOR PERSONAL PROTECTION INSURANCE**
3 **BENEFITS UNDER THE ASSIGNED CLAIMS PLAN, SHALL** make an initial
4 determination of ~~a claimant's~~**THE** eligibility for benefits under
5 **THIS CHAPTER AND** the assigned claims plan, and shall deny ~~an~~
6 ~~obviously ineligible~~**A** claim ~~. The~~**THAT THE MICHIGAN AUTOMOBILE**
7 **INSURANCE PLACEMENT FACILITY DETERMINES IS INELIGIBLE UNDER THIS**
8 **CHAPTER OR THE ASSIGNED CLAIMS PLAN. IF A CLAIMANT OR PERSON MAKING**
9 **A CLAIM THROUGH OR ON BEHALF OF A CLAIMANT FAILS TO COOPERATE WITH**

1 THE MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY AS REQUIRED BY
2 SUBSECTION (2), THE CLAIMANT OR PERSON IS INELIGIBLE FOR BENEFITS
3 UNDER THE ASSIGNED CLAIMS PLAN. THE MICHIGAN AUTOMOBILE INSURANCE
4 PLACEMENT FACILITY SHALL PROMPTLY NOTIFY IN WRITING THE claimant
5 ~~shall be notified promptly in writing~~ AND ANY PERSON THAT SUBMITTED
6 A CLAIM THROUGH OR ON BEHALF OF A CLAIMANT of ~~the~~ A denial and the
7 reasons for the denial.

8 (2) A CLAIMANT OR A PERSON MAKING A CLAIM THROUGH OR ON BEHALF
9 OF A CLAIMANT SHALL COOPERATE WITH THE MICHIGAN AUTOMOBILE
10 INSURANCE PLACEMENT FACILITY IN ITS DETERMINATION OF ELIGIBILITY
11 AND THE SETTLEMENT OR DEFENSE OF ANY CLAIM OR SUIT, INCLUDING, BUT
12 NOT LIMITED TO, SUBMITTING TO AN EXAMINATION UNDER OATH AND
13 COMPLIANCE WITH SECTIONS 3151 TO 3153. THERE IS A REBUTTABLE
14 PRESUMPTION THAT A PERSON HAS SATISFIED THE DUTY TO COOPERATE UNDER
15 THIS SECTION IF ALL OF THE FOLLOWING APPLY:

16 (A) THE PERSON SUBMITTED A CLAIM FOR PERSONAL PROTECTION
17 INSURANCE BENEFITS UNDER THE ASSIGNED CLAIMS PLAN BY SUBMITTING TO
18 THE MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY A COMPLETE
19 APPLICATION ON A FORM PROVIDED BY THE MICHIGAN AUTOMOBILE INSURANCE
20 PLACEMENT FACILITY IN ACCORDANCE WITH THE ASSIGNED CLAIMS PLAN.

21 (B) THE PERSON PROVIDED SATISFACTORY PROOF OF LOSS UNDER THE
22 ASSIGNED CLAIMS PLAN AS DESCRIBED IN SECTION 3172.

23 (C) IF REQUIRED UNDER THIS SUBSECTION TO SUBMIT TO AN
24 EXAMINATION UNDER OATH, THE PERSON SUBMITTED TO THE EXAMINATION,
25 SUBJECT TO ALL OF THE FOLLOWING:

26 (i) THE PERSON WAS PROVIDED AT LEAST 21 DAYS' NOTICE OF THE
27 EXAMINATION.

1 (ii) THE EXAMINATION WAS CONDUCTED IN A LOCATION REASONABLY
2 CONVENIENT FOR THE PERSON.

3 (iii) ANY REASONABLE REQUEST BY THE PERSON TO RESCHEDULE THE
4 DATE, TIME, OR LOCATION OF THE EXAMINATION WAS ACCOMMODATED.

5 (3) THE MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY MAY
6 PERFORM ITS FUNCTIONS AND RESPONSIBILITIES UNDER THIS SECTION AND
7 THE ASSIGNED CLAIMS PLAN DIRECTLY OR THROUGH AN INSURER ASSIGNED BY
8 THE MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY TO ADMINISTER
9 THE CLAIM ON BEHALF OF THE MICHIGAN AUTOMOBILE INSURANCE PLACEMENT
10 FACILITY. THE ASSIGNMENT OF A CLAIM BY THE MICHIGAN AUTOMOBILE
11 INSURANCE PLACEMENT FACILITY TO AN INSURER IS NOT A DETERMINATION
12 OF ELIGIBILITY UNDER THIS CHAPTER OR THE ASSIGNED CLAIMS PLAN, AND
13 A CLAIM ASSIGNED TO AN INSURER BY THE MICHIGAN AUTOMOBILE INSURANCE
14 PLACEMENT FACILITY MAY LATER BE DENIED IF THE CLAIM IS NOT ELIGIBLE
15 UNDER THIS CHAPTER OR THE ASSIGNED CLAIMS PLAN.

16 (4) ~~(2)~~—A person who presents or causes to be presented an
17 oral or written statement, including computer-generated
18 information, as part of or in support of a claim to the Michigan
19 automobile insurance placement facility, **OR TO AN INSURER TO WHICH**
20 **THE CLAIM IS ASSIGNED UNDER THE ASSIGNED CLAIMS PLAN**, for payment
21 or another benefit knowing that the statement contains false
22 information concerning a fact or thing material to the claim
23 commits a fraudulent insurance act under section 4503 that is
24 subject to the penalties imposed under section 4511. A claim that
25 contains or is supported by a fraudulent insurance act as described
26 in this subsection is ineligible for payment ~~or~~ **OF PERSONAL**
27 **PROTECTION INSURANCE** benefits under the assigned claims plan.

1 (5) THE MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY MAY
2 CONTRACT WITH OTHER PERSONS FOR ALL OR A PORTION OF THE GOODS AND
3 SERVICES NECESSARY FOR OPERATING AND MAINTAINING THE ASSIGNED
4 CLAIMS PLAN.

5 Enacting section 1. This amendatory act takes effect 90 days
6 after the date it is enacted into law.

7 Enacting section 2. This amendatory act does not take effect
8 unless Senate Bill No. ____ or House Bill No. 4624 (request no.
9 00364'17 **) of the 99th Legislature is enacted into law.