

SUBSTITUTE FOR
SENATE BILL NO. 324

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 102 (MCL 500.102), as amended by 2000 PA 252,
and by adding chapter 12A.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 102. ~~(1) "Commissioner" as~~ **AS** used in this act:

2 **(A) "COMMISSIONER"** means the ~~commissioner of the office of~~
3 ~~financial and insurance services.~~ **DIRECTOR.**

4 **(B) ~~(2)~~ "Department"** ~~as used in this act~~ means the ~~office of~~
5 ~~financial and insurance services.~~ **DEPARTMENT OF INSURANCE AND**
6 **FINANCIAL SERVICES.**

7 **(C) "DIRECTOR" MEANS, UNLESS THE CONTEXT CLEARLY IMPLIES A**
8 **DIFFERENT MEANING, THE DIRECTOR OF THE DEPARTMENT OF INSURANCE AND**

1 FINANCIAL SERVICES.

2 CHAPTER 12A

3 SEC. 1261. AS USED IN THIS CHAPTER:

4 (A) "AFFORDABLE CARE ACT" MEANS THE PATIENT PROTECTION AND
5 AFFORDABLE CARE ACT, PUBLIC LAW 111-148, AS AMENDED BY THE HEALTH
6 CARE AND EDUCATION RECONCILIATION ACT OF 2010, PUBLIC LAW 111-152.

7 (B) "AGENT" MEANS AN INSURANCE PRODUCER.

8 (C) "BUSINESS ENTITY" MEANS A CORPORATION, ASSOCIATION,
9 PARTNERSHIP, LIMITED LIABILITY COMPANY, LIMITED LIABILITY
10 PARTNERSHIP, OR OTHER LEGAL ENTITY.

11 (D) "CERTIFICATE" MEANS A DOCUMENT ISSUED BY THE DIRECTOR
12 AUTHORIZING A PERSON TO ACT AS A NAVIGATOR, NON-NAVIGATOR
13 ASSISTANCE PERSONNEL, OR CERTIFIED APPLICATION COUNSELOR FOR THE
14 QUALIFICATIONS SPECIFIED IN THE DOCUMENT. THE CERTIFICATE ITSELF
15 DOES NOT CREATE ANY ACTUAL, APPARENT, OR INHERENT AUTHORITY IN THE
16 CERTIFICATE HOLDER TO REPRESENT OR COMMIT AN INSURER.

17 (E) "CERTIFICATE HOLDER" MEANS A PERSON ISSUED A CERTIFICATE
18 UNDER THIS CHAPTER.

19 (F) "CERTIFIED APPLICATION COUNSELOR" MEANS AN INDIVIDUAL WHO
20 IS CERTIFIED UNDER THIS CHAPTER AND IS AUTHORIZED BY THE UNITED
21 STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES TO PERFORM THE
22 DUTIES DESCRIBED IN 45 CFR 155.225.

23 (G) "EXCHANGE" MEANS AN AMERICAN HEALTH BENEFITS EXCHANGE
24 ESTABLISHED OR OPERATING UNDER THE AFFORDABLE CARE ACT.

25 (H) "HOME STATE" MEANS THE DISTRICT OF COLUMBIA OR ANY STATE
26 OR TERRITORY OF THE UNITED STATES IN WHICH AN INSURANCE PRODUCER
27 MAINTAINS HIS OR HER PRINCIPAL PLACE OF RESIDENCE OR PRINCIPAL

1 PLACE OF BUSINESS AND IS LICENSED TO ACT AS AN INSURANCE PRODUCER.

2 (I) "INSURANCE" MEANS ANY OF THE LINES OF AUTHORITY IN CHAPTER
3 6.

4 (J) "INSURANCE PRODUCER" MEANS A PERSON REQUIRED TO BE
5 LICENSED UNDER THE LAWS OF THIS STATE TO SELL, SOLICIT, OR
6 NEGOTIATE INSURANCE.

7 (K) "NAVIGATOR" MEANS A PERSON THAT RECEIVES ANY FUNDING FROM
8 AN EXCHANGE OR THE FEDERAL GOVERNMENT AND IS DESIGNATED OR SELECTED
9 BY AN EXCHANGE OR THE FEDERAL GOVERNMENT TO PERFORM ANY OF THE
10 DUTIES DESCRIBED IN 42 USC 18031(I) (3).

11 (L) "NEGOTIATE" MEANS THE ACT OF CONFERRING DIRECTLY WITH OR
12 OFFERING ADVICE DIRECTLY TO A PURCHASER OR PROSPECTIVE PURCHASER OF
13 A PARTICULAR CONTRACT OF INSURANCE CONCERNING ANY OF THE
14 SUBSTANTIVE BENEFITS, TERMS, OR CONDITIONS OF THE CONTRACT,
15 PROVIDED THAT THE PERSON ENGAGED IN THAT ACT EITHER SELLS INSURANCE
16 OR OBTAINS INSURANCE FROM INSURERS FOR PURCHASERS.

17 (M) "NON-NAVIGATOR ASSISTANCE PERSONNEL" MEANS A PERSON WHO IS
18 CERTIFIED UNDER THIS CHAPTER AND IS AUTHORIZED BY THE UNITED STATES
19 DEPARTMENT OF HEALTH AND HUMAN SERVICES TO PERFORM FUNCTIONS
20 DESCRIBED IN 45 CFR 155.205(D) AND (E).

21 (N) "QUALIFIED HEALTH PLAN" MEANS THAT TERM AS DEFINED IN
22 SECTION 1301 OF THE AFFORDABLE CARE ACT.

23 (O) "SELL" MEANS TO EXCHANGE A CONTRACT OF INSURANCE BY ANY
24 MEANS, FOR MONEY OR ITS EQUIVALENT, ON BEHALF OF AN INSURANCE
25 COMPANY.

26 (P) "SOLICIT" MEANS ATTEMPTING TO SELL INSURANCE OR ASKING OR
27 URGING A PERSON TO APPLY FOR A PARTICULAR KIND OF INSURANCE FROM A

1 PARTICULAR COMPANY.

2 SEC. 1262. (1) AN INDIVIDUAL SHALL NOT ACT AS A NAVIGATOR,
3 NON-NAVIGATOR ASSISTANCE PERSONNEL, OR CERTIFIED APPLICATION
4 COUNSELOR UNLESS HE OR SHE HAS FILED AN APPLICATION UNDER SECTION
5 1263 AND IS CERTIFIED WITH THIS STATE AS A NAVIGATOR, NON-NAVIGATOR
6 ASSISTANCE PERSONNEL, OR CERTIFIED APPLICATION COUNSELOR, AS
7 APPLICABLE.

8 (2) UNLESS CERTIFIED, AN INDIVIDUAL SHALL NOT RECEIVE FUNDING
9 FROM AN EXCHANGE.

10 (3) SUBJECT TO THE AFFORDABLE CARE ACT, A CERTIFICATE HOLDER
11 SHALL DO ALL OF THE FOLLOWING:

12 (A) CONDUCT PUBLIC EDUCATION ACTIVITIES TO RAISE AWARENESS OF
13 THE AVAILABILITY OF QUALIFIED HEALTH PLANS.

14 (B) DISTRIBUTE FAIR AND IMPARTIAL INFORMATION CONCERNING
15 ENROLLMENT IN ALL QUALIFIED HEALTH PLANS OFFERED WITHIN THE
16 EXCHANGE AND THE AVAILABILITY OF THE PREMIUM TAX CREDITS UNDER
17 SECTION 36B OF THE INTERNAL REVENUE CODE OF 1986, 26 USC 36B, AND
18 COST-SHARING REDUCTION UNDER SECTION 1402 OF THE AFFORDABLE CARE
19 ACT.

20 (C) FACILITATE SELECTION OF A QUALIFIED HEALTH PLAN.

21 (D) PROVIDE REFERRALS TO APPROPRIATE STATE AGENCIES FOR AN
22 ENROLLEE WITH A GRIEVANCE, COMPLAINT, OR QUESTION REGARDING THE
23 ENROLLEE'S HEALTH PLAN, COVERAGE, OR A DETERMINATION UNDER SUCH
24 PLAN COVERAGE.

25 (E) PROVIDE INFORMATION IN A MANNER THAT IS CULTURALLY AND
26 LINGUISTICALLY APPROPRIATE TO THE NEEDS OF THE POPULATION SERVED BY
27 THE EXCHANGE.

1 (4) A CERTIFICATE HOLDER SHALL NOT DO ANY OF THE FOLLOWING:

2 (A) SELL, SOLICIT, OR NEGOTIATE HEALTH INSURANCE.

3 (B) RECOMMEND A PARTICULAR HEALTH BENEFIT PLAN.

4 (C) PROVIDE ANY INFORMATION OR SERVICES RELATED TO HEALTH
5 BENEFIT PLANS OR OTHER PRODUCTS NOT OFFERED IN THE EXCHANGE.

6 (5) IF AN EXCHANGE IS OPERATIONAL IN THIS STATE, THE DIRECTOR
7 SHALL DETERMINE WHETHER A PROGRAM TO CERTIFY AND TRAIN NAVIGATORS,
8 NON-NAVIGATOR ASSISTANCE PERSONNEL, AND CERTIFIED APPLICATION
9 COUNSELORS OTHER THAN A PROGRAM ESTABLISHED BY THIS STATE, PROTECTS
10 THE PRIVACY AND SECURITY OF PERSONALLY IDENTIFIABLE INFORMATION OF
11 THE RESIDENTS OF THIS STATE UNDER THE LAWS OF THIS STATE. IF THE
12 DIRECTOR DETERMINES THAT THE PROGRAM DOES NOT PROTECT THE RESIDENTS
13 OF THIS STATE UNDER THIS SUBSECTION, THE DIRECTOR SHALL DO ALL OF
14 THE FOLLOWING:

15 (A) ESTABLISH A CERTIFICATION AND TRAINING PROGRAM THAT MUST
16 INCLUDE, BUT IS NOT LIMITED TO, ALL OF THE FOLLOWING:

17 (i) A CRIMINAL HISTORY CHECK USING THE DEPARTMENT OF STATE
18 POLICE'S INTERNET CRIMINAL HISTORY ACCESS TOOL (ICHAT).

19 (ii) TRAINING ON COMPLIANCE WITH THE HEALTH INSURANCE
20 PORTABILITY AND ACCOUNTABILITY ACT OF 1996, PUBLIC LAW 104-191, OR
21 REGULATIONS PROMULGATED UNDER THAT ACT, TRAINING ON ETHICS,
22 TRAINING ON PROVISIONS OF THE AFFORDABLE CARE ACT RELATING TO
23 NAVIGATORS, NON-NAVIGATOR ASSISTANCE PERSONNEL, AND CERTIFIED
24 APPLICATION COUNSELORS AND ANY NECESSARY STATE-SPECIFIC TRAINING AS
25 DETERMINED BY THE DIRECTOR.

26 (B) DEVELOP AN APPLICATION AND DISCLOSURE FORM BY WHICH AN
27 APPLICANT FOR A CERTIFICATE SHALL DISCLOSE ANY POTENTIAL CONFLICTS

1 OF INTEREST, AS WELL AS ANY OTHER INFORMATION REQUIRED BY THE
2 DIRECTOR.

3 (C) SUBMIT AN ANNUAL REPORT TO THE STANDING COMMITTEES OF THE
4 SENATE AND HOUSE OF REPRESENTATIVES WITH JURISDICTION OVER HEALTH
5 POLICY. THE REPORT MUST INCLUDE ALL OF THE FOLLOWING:

6 (i) THE DIRECTOR'S ASSESSMENT OF ANY FEDERAL PROGRAM TO CERTIFY
7 AND TRAIN NAVIGATORS, NON-NAVIGATOR ASSISTANCE PERSONNEL, AND
8 CERTIFIED APPLICATION COUNSELORS.

9 (ii) ANY CHANGES IMPLEMENTED BY THE DEPARTMENT AS A RESULT OF A
10 FEDERAL PROGRAM TO TRAIN NAVIGATORS, NON-NAVIGATOR ASSISTANCE
11 PERSONNEL, AND CERTIFIED APPLICATION COUNSELORS.

12 SEC. 1263. (1) AN INDIVIDUAL APPLYING FOR A CERTIFICATE SHALL
13 FILE WITH THE DIRECTOR THE UNIFORM APPLICATION REQUIRED BY THE
14 DIRECTOR AND SHALL DECLARE UNDER PENALTY OF REFUSAL, SUSPENSION, OR
15 REVOCATION OF THE CERTIFICATE THAT THE STATEMENTS MADE IN THE
16 APPLICATION ARE TRUE, CORRECT, AND COMPLETE TO THE BEST OF THE
17 INDIVIDUAL'S KNOWLEDGE AND BELIEF. AN APPLICATION FOR A CERTIFICATE
18 SHALL NOT BE APPROVED UNLESS THE DIRECTOR FINDS THAT THE INDIVIDUAL
19 MEETS ALL OF THE FOLLOWING CRITERIA:

20 (A) IS AT LEAST 18 YEARS OF AGE.

21 (B) HAS NOT COMMITTED AN ACT LISTED THAT WOULD BE A GROUND FOR
22 DENIAL, SUSPENSION, OR REVOCATION OF AN INSURANCE PRODUCER'S
23 LICENSE IN SECTION 1239(1).

24 (C) HAS COMPLETED ALL REQUIRED TRAINING COURSES UNDER SECTION
25 1262.

26 (D) HAS PAID THE FEES REQUIRED BY THE DIRECTOR.

27 (E) HAS SUCCESSFULLY PASSED ANY REQUIRED EXAMINATION.

1 (F) HAS SUCCESSFULLY COMPLETED A CRIMINAL HISTORY CHECK UNDER
2 SECTION 1262.

3 (2) A BUSINESS ENTITY ACTING AS A NAVIGATOR, NON-NAVIGATOR
4 ASSISTANCE PERSONNEL, OR CERTIFIED APPLICATION COUNSELOR SHALL
5 OBTAIN A CERTIFICATE. A BUSINESS ENTITY APPLYING FOR A CERTIFICATE
6 SHALL FILE WITH THE DIRECTOR THE UNIFORM BUSINESS ENTITY
7 APPLICATION REQUIRED BY THE DIRECTOR. AN APPLICATION FOR A
8 CERTIFICATE UNDER THIS SUBSECTION SHALL NOT BE APPROVED UNLESS THE
9 DIRECTOR FINDS THAT THE BUSINESS ENTITY MEETS ALL OF THE FOLLOWING:

10 (A) THE BUSINESS ENTITY HAS PAID THE FEES REQUIRED BY THE
11 DIRECTOR.

12 (B) THE BUSINESS ENTITY HAS DESIGNATED AN INDIVIDUAL
13 CERTIFICATE HOLDER RESPONSIBLE FOR THE BUSINESS ENTITY'S COMPLIANCE
14 WITH THIS STATE'S INSURANCE LAWS, RULES, AND REGULATIONS.

15 (C) THE BUSINESS ENTITY HAS NOT COMMITTED AN ACT LISTED IN
16 SECTION 1239(1).

17 (3) THE DIRECTOR MAY REQUIRE THE PRODUCTION OF ANY DOCUMENTS
18 REASONABLY NECESSARY TO VERIFY THE INFORMATION CONTAINED IN AN
19 APPLICATION.

20 SEC. 1264. (1) IN ADDITION TO ANY OTHER POWERS UNDER THIS ACT,
21 THE DIRECTOR MAY PLACE ON PROBATION, SUSPEND, OR REVOKE A
22 CERTIFICATE OR MAY LEVY A CIVIL FINE UNDER SECTION 1270 OR ANY
23 COMBINATION OF ACTIONS, AND THE DIRECTOR SHALL REFUSE TO ISSUE A
24 CERTIFICATE UNDER SECTION 1263, FOR ANY 1 OR MORE CAUSES THAT WOULD
25 BE A GROUND FOR REFUSAL, SUSPENSION, OR REVOCATION OF AN INSURANCE
26 PRODUCER'S LICENSE UNDER SECTION 1239. THE DIRECTOR MAY REVOKE A
27 CERTIFICATE OF A PERSON OR REFUSE TO ISSUE A CERTIFICATE FOR A

1 PERSON THAT RECEIVES FINANCIAL COMPENSATION, INCLUDING MONETARY AND
2 IN-KIND COMPENSATION, GIFTS, OR ANY COMPENSATION RELATED TO
3 ENROLLMENT FROM AN INSURER OFFERING QUALIFIED HEALTH BENEFITS
4 THROUGH AN EXCHANGE OPERATING IN THIS STATE. THE DIRECTOR MAY DENY,
5 SUSPEND, APPROVE, RENEW, OR REVOKE A CERTIFICATE IF THE DIRECTOR
6 CONSIDERS IT NECESSARY TO PROTECT INSUREDS AND THE PUBLIC.

7 (2) THE CERTIFICATE OF A BUSINESS ENTITY MAY BE SUSPENDED,
8 REVOKED, OR REFUSED IF THE DIRECTOR FINDS, AFTER HEARING, THAT AN
9 INDIVIDUAL CERTIFICATE HOLDER'S VIOLATION WAS KNOWN OR SHOULD HAVE
10 BEEN KNOWN BY 1 OR MORE OF THE PARTNERS, OFFICERS, OR MANAGERS
11 ACTING ON BEHALF OF THE BUSINESS ENTITY AND THE VIOLATION WAS
12 NEITHER REPORTED TO THE DIRECTOR NOR CORRECTIVE ACTION TAKEN.

13 (3) THE DIRECTOR MAY EXAMINE THE BOOKS AND RECORDS OF A
14 CERTIFICATE HOLDER TO DETERMINE WHETHER THE CERTIFICATE HOLDER IS
15 CONDUCTING ITS BUSINESS IN ACCORDANCE WITH THIS CHAPTER. FOR THE
16 PURPOSE OF FACILITATING THE EXAMINATION, THE CERTIFICATE HOLDER
17 SHALL ALLOW THE DIRECTOR FREE ACCESS, AT REASONABLE TIMES, TO ALL
18 OF THE CERTIFICATE HOLDER'S BOOKS AND RECORDS RELATING TO
19 TRANSACTIONS TO WHICH THIS CHAPTER APPLIES.

20 SEC. 1265. A BUSINESS ENTITY ISSUED A CERTIFICATE SHALL, IN A
21 MANNER PRESCRIBED BY THE DIRECTOR, MAKE AVAILABLE A LIST OF ALL
22 INDIVIDUAL CERTIFICATE HOLDERS THAT THE BUSINESS ENTITY EMPLOYS OR
23 SUPERVISES OR WITH WHICH THE BUSINESS ENTITY IS OTHERWISE
24 AFFILIATED.

25 SEC. 1266. A BUSINESS ENTITY THAT TERMINATES THE EMPLOYMENT,
26 ENGAGEMENT, AFFILIATION, OR OTHER RELATIONSHIP WITH AN INDIVIDUAL
27 CERTIFICATE HOLDER SHALL NOTIFY THE DIRECTOR USING A FORMAT

1 PRESCRIBED BY THE DIRECTOR OF THE TERMINATION WITHIN 30 DAYS
2 FOLLOWING THE EFFECTIVE DATE OF THE TERMINATION IF THE REASON FOR
3 TERMINATION IS 1 OF THE REASONS LISTED IN SECTION 1239(1) OR THE
4 BUSINESS ENTITY HAS KNOWLEDGE THE INDIVIDUAL WAS FOUND BY A COURT
5 OR GOVERNMENT BODY TO HAVE ENGAGED IN ANY OF THE ACTIVITIES LISTED
6 IN SECTION 1239(1) .

7 SEC. 1268. (1) WHEN APPLYING FOR A CERTIFICATE, THE APPLICANT
8 SHALL REPORT HIS OR HER MAILING AND ELECTRONIC MAIL ADDRESS TO THE
9 DIRECTOR. A CERTIFICATE HOLDER SHALL NOTIFY THE DIRECTOR OF A
10 CHANGE IN HIS OR HER MAILING OR ELECTRONIC MAIL ADDRESS WITHIN 30
11 DAYS AFTER THE CHANGE. THE DIRECTOR SHALL MAINTAIN THE MAILING AND
12 ELECTRONIC MAIL ADDRESS OF EACH CERTIFICATE HOLDER ON FILE.

13 (2) A NOTICE OF HEARING OR SERVICE OF PROCESS MAY BE SERVED
14 UPON A CERTIFICATE HOLDER IN AN ACTION OR PROCEEDING FOR A
15 VIOLATION OF THIS ACT BY MAILING THE NOTICE OR PROCESS BY FIRST-
16 CLASS MAIL TO THE CERTIFICATE HOLDER'S MAILING ADDRESS REPORTED TO
17 THE DIRECTOR UNDER SUBSECTION (1) .

18 SEC. 1269. (1) THE DIRECTOR SHALL REFUSE TO GRANT A
19 CERTIFICATE TO AN APPLICANT WHO FAILS TO MEET THE REQUIREMENTS OF
20 THIS CHAPTER. NOTICE OF THE REFUSAL SHALL BE IN WRITING AND SHALL
21 SET FORTH THE BASIS FOR THE REFUSAL. IF THE APPLICANT SUBMITS A
22 WRITTEN REQUEST WITHIN 30 DAYS AFTER MAILING OF THE NOTICE OF
23 REFUSAL, THE DIRECTOR SHALL PROMPTLY CONDUCT A HEARING IN WHICH THE
24 APPLICANT SHALL BE GIVEN AN OPPORTUNITY TO SHOW COMPLIANCE WITH THE
25 REQUIREMENTS OF THIS CHAPTER.

26 (2) THE DIRECTOR, AFTER NOTICE OF AND OPPORTUNITY FOR A
27 HEARING, MAY SUSPEND OR REVOKE A CERTIFICATE OF A CERTIFICATE

1 HOLDER WHO FAILS TO MAINTAIN THE STANDARDS REQUIRED FOR INITIAL
2 CERTIFICATION OR WHO VIOLATES THIS ACT.

3 (3) WITHOUT PRIOR HEARING, THE DIRECTOR MAY ORDER SUMMARY
4 SUSPENSION OF A CERTIFICATE IF HE OR SHE FINDS THAT PROTECTION OF
5 THE PUBLIC REQUIRES EMERGENCY ACTION AND INCORPORATES THIS FINDING
6 IN HIS OR HER ORDER. THE SUSPENSION SHALL BE EFFECTIVE ON THE DATE
7 SPECIFIED IN THE ORDER OR UPON SERVICE OF A CERTIFIED COPY OF THE
8 ORDER ON THE CERTIFICATE HOLDER, WHICHEVER IS LATER. IF REQUESTED,
9 THE DIRECTOR SHALL CONDUCT A HEARING ON THE SUSPENSION WITHIN A
10 REASONABLE TIME BUT NOT LATER THAN 20 DAYS AFTER THE EFFECTIVE DATE
11 OF THE SUMMARY SUSPENSION UNLESS THE PERSON WHOSE CERTIFICATE IS
12 SUSPENDED REQUESTS A LATER DATE. AT THE HEARING, THE DIRECTOR SHALL
13 DETERMINE IF THE SUSPENSION SHOULD BE CONTINUED OR IF THE
14 SUSPENSION SHOULD BE WITHDRAWN, AND, IF PROPER NOTICE IS GIVEN, MAY
15 DETERMINE IF THE CERTIFICATE SHOULD BE REVOKED. THE DIRECTOR SHALL
16 ANNOUNCE HIS OR HER DECISION WITHIN 30 DAYS AFTER CONCLUSION OF THE
17 HEARING. THE SUSPENSION SHALL CONTINUE UNTIL THE DECISION IS
18 ANNOUNCED.

19 (4) THE DIRECTOR, OR HIS OR HER DESIGNATED DEPUTY, MAY ISSUE
20 SUBPOENAS TO REQUIRE THE ATTENDANCE AND TESTIMONY OF WITNESSES AND
21 THE PRODUCTION OF DOCUMENTS NECESSARY TO THE CONDUCT OF THE HEARING
22 AND MAY DESIGNATE A DEPARTMENT EMPLOYEE TO MAKE SERVICE. THE
23 SUBPOENAS ISSUED BY THE DIRECTOR, OR HIS OR HER DESIGNATED DEPUTY,
24 MAY BE ENFORCED UPON PETITION TO THE CIRCUIT COURT OF INGHAM COUNTY
25 TO SHOW CAUSE WHY A CONTEMPT ORDER SHOULD NOT BE ISSUED, AS
26 PROVIDED BY LAW.

27 SEC. 1270. (1) IF THE DIRECTOR FINDS THAT A PERSON HAS

1 VIOLATED THIS CHAPTER, AFTER AN OPPORTUNITY FOR A HEARING UNDER THE
2 ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO
3 24.328, THE DIRECTOR SHALL REDUCE THE FINDINGS AND DECISION TO
4 WRITING AND SHALL ISSUE AND CAUSE TO BE SERVED UPON THE PERSON
5 CHARGED WITH THE VIOLATION A COPY OF THE FINDINGS AND AN ORDER
6 REQUIRING THE PERSON TO CEASE AND DESIST FROM THE VIOLATION. IN
7 ADDITION, THE DIRECTOR MAY ORDER ANY OF THE FOLLOWING:

8 (A) PAYMENT OF A CIVIL FINE OF NOT MORE THAN \$500.00 FOR EACH
9 VIOLATION. HOWEVER, IF THE PERSON KNEW OR REASONABLY SHOULD HAVE
10 KNOWN THAT HE OR SHE WAS IN VIOLATION OF THIS CHAPTER, THE DIRECTOR
11 MAY ORDER THE PAYMENT OF A CIVIL FINE OF NOT MORE THAN \$2,500.00
12 FOR EACH VIOLATION. AN ORDER OF THE DIRECTOR UNDER THIS SUBSECTION
13 SHALL NOT REQUIRE THE PAYMENT OF CIVIL FINES EXCEEDING \$25,000.00.
14 A FINE COLLECTED UNDER THIS SUBDIVISION SHALL BE TURNED OVER TO THE
15 STATE TREASURER AND CREDITED TO THE GENERAL FUND OF THIS STATE.

16 (B) THE SUSPENSION OR REVOCATION OF THE CERTIFICATE.

17 (2) THE DIRECTOR MAY BY ORDER, AFTER NOTICE AND OPPORTUNITY
18 FOR HEARING, REOPEN AND ALTER, MODIFY, OR SET ASIDE, IN WHOLE OR IN
19 PART, AN ORDER ISSUED UNDER THIS SECTION, IF IN THE OPINION OF THE
20 DIRECTOR CONDITIONS OF FACT OR OF LAW HAVE CHANGED TO REQUIRE THAT
21 ACTION, OR IF THE PUBLIC INTEREST REQUIRES THAT ACTION.

22 (3) IF A PERSON KNOWINGLY VIOLATES A CEASE AND DESIST ORDER
23 UNDER THIS CHAPTER AND HAS BEEN GIVEN NOTICE AND AN OPPORTUNITY FOR
24 A HEARING HELD UNDER THE ADMINISTRATIVE PROCEDURES ACT OF 1969,
25 1969 PA 306, MCL 24.201 TO 24.328, THE DIRECTOR MAY ORDER A CIVIL
26 FINE OF NOT MORE THAN \$10,000.00 FOR EACH VIOLATION, OR A
27 SUSPENSION OR REVOCATION OF THE CERTIFICATE, OR BOTH. AN ORDER

1 ISSUED BY THE DIRECTOR UNDER THIS SUBSECTION SHALL NOT REQUIRE THE
2 PAYMENT OF CIVIL FINES EXCEEDING \$50,000.00. A FINE COLLECTED UNDER
3 THIS SUBSECTION SHALL BE TURNED OVER TO THE STATE TREASURER AND
4 CREDITED TO THE GENERAL FUND OF THIS STATE.

5 (4) THE DIRECTOR MAY APPLY TO THE CIRCUIT COURT OF INGHAM
6 COUNTY FOR AN ORDER OF THE COURT ENJOINING A VIOLATION OF THIS
7 CHAPTER.

8 SEC. 1271. THE DIRECTOR SHALL DEVELOP AND IMPLEMENT A PROCESS
9 FOR RECEIPT, INVESTIGATION, AND REFERRAL TO A FEDERAL EXCHANGE OF
10 CITIZEN COMPLAINTS REGARDING NAVIGATORS, NON-NAVIGATOR ASSISTANCE
11 PERSONNEL, AND CERTIFIED APPLICATION COUNSELORS. THE DIRECTOR SHALL
12 SUBMIT AN ANNUAL REPORT THAT DESCRIBES THIS PROCESS TO THE STANDING
13 COMMITTEES OF THE SENATE AND HOUSE OF REPRESENTATIVES WITH
14 JURISDICTION OF HEALTH POLICY.

15 SEC. 1272. THIS CHAPTER DOES NOT AUTHORIZE OR SHALL NOT BE
16 CONSTRUED TO AUTHORIZE THE ESTABLISHMENT OR OPERATION OF AN
17 AMERICAN HEALTH BENEFIT EXCHANGE IN THIS STATE UNDER THE AFFORDABLE
18 CARE ACT.

19 Enacting section 1. (1) This amendatory act shall not be
20 construed to do any of the following:

21 (a) Authorize this state or an agency of this state to conduct
22 or oversee state-level governmental consumer assistance functions
23 for an American health benefit exchange established or operating in
24 this state under the patient protection and affordable care act,
25 Public Law 111-148, as amended by the health care and education
26 reconciliation act of 2010, Public Law 111-152.

27 (b) Convey any administrative, statutory, rule-making, or

1 other power to this state or an agency of this state to authorize,
2 establish, or operate an American health benefit exchange in this
3 state that did not exist before the effective date of this
4 amendatory act.

5 (2) It is the intent of this legislature that any consumer
6 assistance functions by or overseen by this state or an agency of
7 this state with regard to an American health benefit exchange shall
8 be conducted in a manner that utilizes and highlights Michigan-
9 based resources, including insurance producers, in order to best
10 serve the residents of this state and to ensure appropriate health
11 care decisions.

12 Enacting section 2. This amendatory act applies to policies,
13 certificates, or contracts delivered, issued for delivery, or
14 renewed in this state on and after the effective date of this
15 amendatory act.