

EXCESS LOSS INSURANCE

House Bill 5400

Sponsor: Rep. Larry Julian

**Committee: Insurance and Financial
Services**

Complete to 12-1-01

A SUMMARY OF HOUSE BILL 5400 AS INTRODUCED 11-1-01

The bill would amend the Insurance Code to allow an insurer authorized to write life insurance or disability insurance to also offer and write specific or aggregate excess loss insurance to a noninsured benefit plan. Excess loss insurance would be subject to all casualty insurance requirements under the act, including, but not limited to, policy rate and form requirements under chapters of the code pertaining to casualty insurance rates and casualty insurance contracts. The bill would not limit the authority of an insurer authorized under a provision pertaining to casualty insurance to offer and write specific or aggregate excess loss insurance to a noninsured benefit plan. "Noninsured benefit plan" is defined in the code as meaning a benefit plan without insurance or the noninsured portion of a benefit plan that has specific or aggregate excess loss insurance.

Further, the bill would delete an obsolete provision that required the insurance commissioner, by April 1, 1985, to submit a report to the legislature detailing the impact of Public Act 189 of 1981, which permitted insurance companies to provide administrative services only (ASO) contracts.

MCL 500.5208

House Bill 5400 (12-1-01)

Analyst: S. Stutzky

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