SENATE BILL No. 1259

May 25, 2004, Introduced by Senators SCOTT, JACOBS, BRATER, CLARK-COLEMAN, BASHAM and CHERRY and referred to the Committee on Banking and Financial Institutions.

A bill to amend 1956 PA 218, entitled

"The insurance code of 1956,"

by amending section 2127 (MCL 500.2127) and by adding section 2128.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2127. The commissioner may by rule prospectively

2 require insurers, rating organizations, and advisory

3 organizations to collect and report data ~~only~~ to the extent

4 necessary to monitor and evaluate the automobile and home

5 insurance markets in this state. The commissioner shall

6 authorize the use of sampling techniques in each instance where

7 sampling is practicable and consistent with the purposes for

8 which the data, by county, are to be collected and reported.

9 **Rules promulgated pursuant to this section are in addition to,**

10 **and do not replace, the reporting requirements in section 2128.**

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1   Sec. 2128. (1) By April 1 of each year, each insurer who

2 issues automobile insurance or home insurance in this state shall

3 file with the commissioner on forms prescribed by the

4 commissioner the following insurance data for the prior calendar

5 year:

6   (a) The number of claims for benefits for which payment is

7 made and the average time for processing the claims.

8   (b) The number of claims for benefits that are closed without

9 payment and the average time for processing the claims.

10   (c) The number of claims for benefits that involve some form

11 of litigation and are closed without payment and the average time

12 for processing the claims.

13   (d) The number of claims for benefits that involve litigation

14 and for which payment is made after litigation commences,

15 including the average length of time between the filing of the

16 claim and the first payment.

17   (2) Information filed with the commissioner under subsection

18 (1) is subject to the freedom of information act, 1976 PA 442,

19 MCL 15.231 to 15.246.