

# HOUSE BILL No. 5559

December 12, 2007, Introduced by Reps. Polidori, Virgil Smith, Scott, Johnson and Condino  
and referred to the Committee on Insurance.

A bill to amend 1956 PA 218, entitled  
"The insurance code of 1956,"  
by amending sections 2418 and 2618 (MCL 500.2418 and 500.2618),  
section 2418 as amended by 1993 PA 200.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 2418. If at any time after approval of any filing either  
2 by act or order of the commissioner or by operation of law, or  
3 before approval of a filing made by a worker's compensation insurer  
4 controlled by a nonprofit health care corporation ~~formed~~ **OPERATING**  
5 pursuant to the nonprofit health care corporation reform act, ~~Act~~  
6 ~~No. 350 of the Public Acts of 1980, being sections 550.1101 to~~  
7 ~~550.1704 of the Michigan Compiled Laws~~ **1980 PA 350, MCL 550.1101 TO**  
8 **550.1704**, the commissioner finds that a filing does not meet the  
9 requirements of this chapter, the commissioner shall, after a

hearing held upon not less than 10 days' written notice, specifying the matters to be considered at the hearing, to every insurer and rating organization that made the filing, issue an order specifying in what respects the commissioner finds that the filing fails to meet the requirements of this chapter, and stating for a filing that has gone into effect when, within a reasonable period thereafter, that filing shall be considered no longer effective.

~~Copies~~ **IF THE COMMISSIONER DISAPPROVES THE FILING AS NOT BEING IN COMPLIANCE WITH SECTION 2403(1)(D) BECAUSE RATES ARE EXCESSIVE OR UNFAIRLY DISCRIMINATORY, HE OR SHE MAY ORDER A REFUND OF THE PREMIUM TO BE MADE TO AFFECTED POLICYHOLDERS, IF THE AMOUNT IS SUBSTANTIAL AND EQUALS OR EXCEEDS THE COST OF MAKING THE REFUND. A COPY** of the order shall be sent to every ~~such~~ insurer and rating organization **SUBJECT TO THE ORDER. The** ~~EXCEPT FOR AN ADJUSTMENT ORDERED UNDER THIS SECTION, THE~~ order shall not affect any contract or policy made or issued ~~prior to the expiration of the period set forth in the order~~ **BEFORE THE DATE THE FILING BECOMES INEFFECTIVE AS INDICATED IN THE COMMISSIONER'S ORDER.**

Sec. 2618. If at any time ~~subsequent to~~ **AFTER** the applicable review period provided for in section 2616, the commissioner finds that a filing does not meet the requirements of this chapter, ~~he~~ **THE COMMISSIONER** shall, after a hearing held upon not less than 10 days' written notice, specifying the matters to be considered at ~~such~~ **THE** hearing, to every insurer and rating organization ~~which~~ **THAT** made ~~such~~ **THE** filing, issue an order specifying in what respects ~~he~~ **THE COMMISSIONER** finds that ~~such~~ **THE** filing fails to meet the requirements of this chapter, and stating when, within a

1 reasonable period thereafter, ~~such~~ THAT filing shall be deemed  
2 CONSIDERED no longer effective. ~~Copies~~ IF THE COMMISSIONER  
3 DISAPPROVES THE FILING AS NOT BEING IN COMPLIANCE WITH SECTION  
4 2603(1)(D) BECAUSE RATES ARE EXCESSIVE OR UNFAIRLY DISCRIMINATORY,  
5 HE OR SHE MAY ORDER A REFUND OF THE PREMIUM TO BE MADE TO AFFECTED  
6 POLICYHOLDERS, IF THE AMOUNT IS SUBSTANTIAL AND EQUALS OR EXCEEDS  
7 THE COST OF MAKING THE REFUND. A COPY of ~~said~~ THE order shall be  
8 sent to every ~~such~~ insurer and rating organization SUBJECT TO THE  
9 ORDER. ~~Said~~ EXCEPT FOR AN ADJUSTMENT ORDERED UNDER THIS SECTION,  
10 THE order shall not ~~effect~~ AFFECT any contract or policy made or  
11 issued ~~prior to the expiration of the period set forth in said~~  
12 ~~order~~ BEFORE THE DATE THE FILING BECOMES INEFFECTIVE AS INDICATED  
13 IN THE COMMISSIONER'S ORDER.