

HOUSE BILL No. 4844

April 29, 2009, Introduced by Reps. Nathan, Lisa Brown, Switalski, Scripps, Roberts, Young, Geiss, Kandrevas, Smith, Barnett, Lipton, Jackson, Durhal, Slezak, Constan, Kennedy, Cushingberry, Haase, Liss, Haugh, Mayes, Angerer, Dean, Bettie Scott, Melton, Johnson and Womack and referred to the Committee on Insurance.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
(MCL 500.100 to 500.8302) by adding section 3149.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 3149. AN INSURER OBLIGATED TO PAY BENEFITS OR CLAIMS FOR
2 PERSONAL PROTECTION INSURANCE BENEFITS UNDER THIS ACT HAS A DUTY TO
3 DEAL FAIRLY AND IN GOOD FAITH WITH AN INJURED PERSON CLAIMING
4 BENEFITS AND THAT PERSON'S PROVIDERS. AN INSURER THAT BREACHES THIS
5 DUTY TO DEAL FAIRLY AND IN GOOD FAITH IS LIABLE FOR COMPENSATORY,
6 CONSEQUENTIAL, ECONOMIC, NONECONOMIC, AND EXEMPLARY DAMAGES
7 PROXIMATELY CAUSED BY THE BREACH AND THE COSTS OF LITIGATION,
8 INCLUDING ACTUAL ATTORNEY FEES. A BREACH OF THE DUTY TO DEAL FAIRLY
9 AND IN GOOD FAITH INCLUDES, BUT IS NOT LIMITED TO, ALL OF THE
10 FOLLOWING:

1 (A) A THREAT OR ACT OF INTIMIDATION AGAINST AN INJURED PERSON
2 OR THE PERSON'S PROVIDER WITH RESPECT TO THE SUBMISSION OR PAYMENT
3 OF A CLAIM UNDER THIS ACT.

4 (B) AN ACT OF RETALIATION AGAINST AN INJURED PERSON OR THE
5 PERSON'S PROVIDER FOR HAVING ASSERTED A RIGHT TO MAKE A CLAIM UNDER
6 THIS ACT.

7 (C) A STATEMENT OR REPRESENTATION WITH RESPECT TO THE
8 SUBMISSION OF A CLAIM, THE PAYMENT OF A CLAIM, OR THE RIGHTS OF AN
9 INJURED PERSON OR THE PERSON'S PROVIDER UNDER THIS ACT, WHICH
10 STATEMENT OR REPRESENTATION IS MATERIALLY FALSE WHEN AN INSURER
11 KNEW, OR SHOULD HAVE KNOWN, OF THE FALSITY OF THE STATEMENT OR
12 REPRESENTATION.