

HOUSE BILL No. 5107

October 12, 2017, Introduced by Reps. Lasinski, Frederick, Chirkun, LaGrand, Moss, Brinks, Camilleri, Wittenberg, Chang, Ellison, Sabo, Liberati, Webber, Sowerby, Sneller, Pagan, Howrylak, Faris, Love, Byrd, Yaroch, Hammoud, Geiss, Elder, Greimel, Hertel, Rabhi, Robinson, Zemke, Gay-Dagnogo, Jones and Scott 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 sections 3109b and 3117.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **SEC. 3109B. (1) THE DIRECTOR SHALL PROMULGATE RULES UNDER THE**
2 **ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO**
3 **24.328, TO ESTABLISH STANDARDS TO APPLY TO DETERMINE WHETHER RATES**
4 **FILED BY AN INSURER REFLECT REASONABLY REDUCED PREMIUM RATES FOR**
5 **POLICIES THAT COORDINATE BENEFITS UNDER SECTION 3109A.**

6 **(2) THE DIRECTOR SHALL APPLY THE STANDARDS OF THE RULES**
7 **PROMULGATED UNDER THIS SECTION TO ALL RATES FILED FOR AUTOMOBILE**
8 **INSURANCE UNDER CHAPTER 21 TO DETERMINE WHETHER THE RATES COMPLY**

1 WITH THE STANDARDS. IF THE DIRECTOR DETERMINES THAT AN INSURER'S
2 RATES DO NOT COMPLY WITH THE STANDARDS, THE DIRECTOR SHALL, ON THE
3 DIRECTOR'S OWN MOTION AS PROVIDED IN SECTION 2114(2), COMMENCE A
4 CONTESTED CASE UNDER THE ADMINISTRATIVE PROCEDURES ACT OF 1969,
5 1969 PA 306, MCL 24.201 TO 24.328, TO DETERMINE WHETHER TO ORDER
6 THAT THE FILING THAT CONTAINS THE RATES IS INEFFECTIVE.

7 SEC. 3117. IF A PERSON SUFFERS BODILY INJURY THAT ENTITLES THE
8 PERSON TO RECOVER PERSONAL PROTECTION INSURANCE BENEFITS UNDER THIS
9 CHAPTER, ANY SUBROGATION, REIMBURSEMENT, OR LIEN RIGHTS THAT MAY
10 EXIST UNDER A HEALTH INSURANCE POLICY, A HEALTH CARE BENEFITS PLAN,
11 OR OTHER HEALTH AND ACCIDENT COVERAGE THAT IS APPLICABLE TO THE
12 INJURY MUST NOT BE GREATER THAN THE SUBROGATION, REIMBURSEMENT, OR
13 LIEN RIGHTS OF AN INSURER UNDER SECTION 3116.