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Senate Bill 547 (as introduced 9-17-25)  
Sponsor: Senator Stephanie Chang  
Committee: Finance, Insurance, and Consumer Protection

Date Completed: 9-23-25

## **CONTENT**

**The bill would amend Chapter 31 (Motor Vehicle Personal and Property Protection) of the Insurance Code to require an auto insurer to comply with the Department of Insurance and Financial Services' (DIFS) decision in an appeal concerning a Personal Injury Protection (PIP) medical claim.**

The Code requires a physician, hospital, clinic, or other healthcare professional to submit to a patient's PIP insurer necessary records and other information concerning treatment, products, services, or accommodations provided to a patient for one or more accidental bodily injuries for utilization review. "Utilization review" means the initial evaluation by an insurer or the association created under Section 3104 of the appropriateness in terms of the level and the quality of treatment, products, services, or accommodations provided under Chapter 31 based on medically accepted standards.

(Section 3104 of the Code creates the nonprofit Catastrophic Claims Association. Any insurer that provides PIP, Property Protection insurance (PPI), or residual liability insurance is part of the Association. Automobile insurers are required to provide this insurance, so every automobile insurer is considered part of the Association. The Association reimburses insurers for PIP medical claims paid in excess of a set amount for policies that provide unlimited lifetime coverage. Currently, that amount is \$675,000).

If an insurer or the Association determines that a physician, hospital, clinic, or other healthcare professional provided or ordered inappropriate treatment, products, services, or accommodations, or the cost of those services was inappropriate, the physician, hospital, clinic, or other healthcare professional may appeal the determination to DIFS.

The bill would require an insurer to comply with DIFS's decision in such a matter.

MCL 500.3157a

## **PREVIOUS LEGISLATION**

*(This section does not provide a comprehensive account of previous legislative efforts on this subject matter.)*

The bill is a reintroduction of Senate Bill 1090 from the 2023-2024 Legislative Session.

## **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Analyst: Nathan Leaman

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.