

**THE INSURANCE CODE OF 1956 (EXCERPT)**  
**Act 218 of 1956**

**500.3711 Small employer carrier; guaranteed renewal; exceptions; modification.**

Sec. 3711. (1) Except as otherwise provided in this section, a small employer carrier that offers health coverage in the small employer group market in connection with a health benefit plan shall renew or continue in force the plan at the option of the small employer.

(2) Guaranteed renewal under subsection (1) is not required in any of the following circumstances:

- (a) There is fraud or intentional misrepresentation by the small employer.
  - (b) For coverage of an insured individual, there is fraud or misrepresentation by the insured individual or the individual's representative.
  - (c) Lack of payment.
  - (d) Noncompliance with minimum contribution requirements.
  - (e) Noncompliance with minimum participation requirements.
  - (f) The small employer carrier no longer offers that particular type of coverage in the market.
  - (g) The small employer moves outside the geographic area.
- (3) A small employer carrier that offers health coverage in the small employer group market may modify a health benefit plan if the modification is consistent with state law and effective on a uniform basis among all small employers with coverage under the health benefit plan.

**History:** Add. 2003, Act 88, Eff. Jan. 23, 2004;—Am. 2016, Act 276, Imd. Eff. July 1, 2016.

**Compiler's note:** Former MCL 500.3711, which pertained to mental health services by mental health care provider, was repealed by Act 271 of 2001, Imd. Eff. Jan. 11, 2002.

**Popular name:** Act 218