

STATE OF MICHIGAN  
DEPARTMENT INSURANCE AND FINANCIAL SERVICES

Bulletin 2016-13-INS

In the matter of:

Michigan Property and Casualty Guaranty Association's annual  
adjustment of an insured's maximum unearned premium refund

---

Issued and entered  
this 14<sup>th</sup> day of June 2016  
by Patrick M. McPharlin, Director

INFORMATIONAL STATEMENT ISSUED PURSUANT TO MCL 500.7925(2)(a) AND R500.351  
OF THE MICHIGAN ADMINISTRATIVE CODE

This bulletin supersedes Bulletin 2015-13-INS, dated June 15, 2015.

The Property and Casualty Guaranty Association Act (Act), MCL 500.7901 *et seq.*, requires the Director of the Department of Insurance and Financial Services to annually adjust an insured's maximum refund of unearned premiums that constitutes a covered claim of the Property and Casualty Guaranty Association.

Section 7925(2)(a) of the Act, MCL 500.7925(2)(a), requires the annual adjustment of an insured's maximum refund of unearned premiums, from one insolvent insurer, to reflect changes in the cost of living as prescribed by the Director's promulgated rule. Rule 500.351 of the Michigan Administrative Code requires the annual adjustment to the maximum refund amount of unearned premiums by the ratio of the national Consumer Price Index (CPI) as calculated by the United States Department of Labor, Bureau of Statistics, using the U.S. City Average Index for all items as of March of each year, rounded to the nearest dollar.

The previous maximum unearned premium refund amount, applicable July 1, 2015 through June 30, 2016 was \$1,475.00.

By issuing this informational statement, the Director certifies that he has performed the CPI review and has adjusted the maximum unearned premium refund for the period from July 1, 2016 through June 30, 2017, to \$1,488.00.

Any questions regarding this bulletin should be directed to:

Department of Insurance and Financial Services  
Office of General Counsel  
530 W. Allegan Street – 7<sup>th</sup> Floor  
P.O. Box 30220  
Lansing, Michigan 48909-7720  
Toll Free: (877) 999-6442



Patrick M. McPharlin  
Director