

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Bulletin 2019-19-INS

In the matter of:

Michigan Catastrophic Claims Association
Deficiency Calculation

Issued and entered
This 14th day of October 2019
by Anita G. Fox
Director

Section 3104(7)(d) of the Insurance Code, MCL 500.3104(7)(d), governs the calculation of the premiums charged to members of the Michigan Catastrophic Claims Association (MCCA). Among other things, Section 3104(7)(d), as amended by PA 21 of 2019, provides that an insurer member of the MCCA may not be charged a premium for any of the following: a car insured under a coverage limit under Section 3107c(1)(a), (b), or (c), cars as to which an election to not maintain personal protection insurance benefits has been made under Section 3107d; or as to which an exclusion under Section 3109a(2) applies. However, the MCCA may charge the insurer for the portion of the total premium attributable to an adjustment for a deficiency in a previous period.

Automobile insurers preparing rate filings to comply with PA 21 and PA 22 of 2019 should be aware that they will be required to provide marked rate/rule pages that include charges for the MCCA assessment of no more than the assessment amount. Those rate/rule pages must demonstrate that an insurer member will not be charged more than the portion of the MCCA assessment that is a deficiency for any of the following: a car insured under a coverage limit under Section 3107c(1)(a), (b), or (c), cars as to which an election to not maintain personal protection insurance benefits has been made under Section 3107d; or as to which an exclusion under Section 3109a(2) applies.

Any questions regarding this bulletin should be directed to:

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/s/

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