

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Bulletin 2023-03-INS

In the matter of:

**Essential Insurance Act:
Theft Trends in Certain Vehicles**

**Issued and entered
this 7th day of March 2023
by Anita G. Fox
Director**

It has come to the Department's attention that some insurers intend to refuse to insure certain model Kia and Hyundai vehicles on the basis that those models lack particular anti-theft technology or that there has been an increase in thefts of those vehicles. The purpose of this bulletin is to remind insurers and consumers that automobile insurers in Michigan must offer insurance coverage to all "eligible persons" and that a failure to do so may constitute a violation of the Essential Insurance Act.

Section 2118 of the Insurance Code (Code), MCL 500.2118, prohibits an insurer from refusing to insure, refusing to continue to insure, or limiting the coverage available to an eligible person for automobile insurance except in limited circumstances specifically delineated in Section 2118. Although Section 2118(2)(e) permits an insurer to refuse to insure based upon vehicle type, insurers may do so only if: a) the vehicle is of limited production or of custom manufacture; b) the insurer does not have a rate lawfully in effect for the type of vehicle; or c) the vehicle represents exposure to extraordinary expense for repair or replacement under comprehensive or collision coverage. See MCL 500.2118(2)(e). The Code does not permit an insurer to refuse to insure, refuse to continue to insure, or limit coverage available to an eligible person based on national theft trends or the absence of anti-theft technology.

Consumers who believe they have been denied auto insurance based on having a particular model of Kia or Hyundai vehicle should contact DIFS' Office of Consumer Services at 877-999-6442 or via email at DIFSComplaints@michigan.gov. Any other questions regarding this Bulletin should be directed to:

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/s/

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