

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

Bulletin 2019-16-INS

In the matter of:

**Michigan Catastrophic Claims Association
Fee Calculation**

**Issued and entered
this 27th day of September 2019
by Anita G. Fox
Director**

Section 3104(20) of the Insurance Code, MCL 500.3104(20), requires insurer members of the Michigan Catastrophic Claims Association (MCCA) to recognize the premiums charged by the MCCA in their rate-making procedures in the same manner that expenses and premium taxes are recognized. The section also provides that if an insurer member of the MCCA passes on any portion of the MCCA premium payable to an insured, the amount passed on must equal the portion of the premium attributable to the car or historic vehicle insured, including any adjustments for excess or deficiencies from a previous period. Insurer members are prohibited from passing on to insureds amounts in excess of what is attributable to the car or historic vehicle.

The Director will review insurers' rate filings to ensure compliance with Section 3104(20) so that MCCA fees passed through to insureds do not exceed the amount required under Section 3104(20). The Director will not disapprove any filing on the basis that the MCCA fee passed through to insureds is less than that amount.

Any questions regarding this bulletin should be directed to:

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/s/

Anita G. Fox
Director