

STATE OF MICHIGAN  
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Bulletin 2020-02-INS

In the matter of:

Michigan Property and Casualty Guaranty Association's Annual  
Adjustment of the Net Worth Limit and Claim Cap Pursuant to  
MCL 500.7925(4) and (6)

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Issued and entered  
This 15<sup>th</sup> day of January 2020  
by Anita G. Fox  
Director

This bulletin supersedes Bulletin 2019-02-INS.

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 net worth limit and covered claim cap pursuant to the Consumer Price Index for All Urban Consumers in the United States City Average (CPI), as reported by United States Department of Labor, Bureau of Labor Statistics, and as certified by the Director.

To determine whether an insured's covered claim represents an obligation of the Michigan Property and Casualty Guaranty Association, section 7925(4) of the Act, MCL 500.7925(4), establishes the insured's net worth limit at \$25,000,000, to be adjusted annually to reflect the aggregate percentage change in the CPI, rounded to the nearest \$10,000. Accordingly, the Director certifies that the insured's net worth limit effective January 1, 2020 through December 31, 2020, is **\$31,700,000**.

In addition, section 7925(6) of the Act, MCL 500.7925(6), establishes the insured's covered claim cap at \$5,000,000, to be adjusted annually to reflect the aggregate percentage change in the CPI, rounded to the nearest \$10,000. Accordingly, the Director certifies that the insured's covered claim cap effective January 1, 2020 through December 31, 2020, is **\$6,340,000**.

Any questions regarding this bulletin should be directed to:

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/s/

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Anita G. Fox  
Director