



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
LANSING

PATRICK M. MCPHARLIN
DIRECTOR

Memorandum

DATE: December 28, 2018

TO: Interested Persons

FROM: Patrick M. McPharlin, Director 

SUBJECT: Rescission of Declaratory Ruling No. 86-8561-M Re: Reporting of salaries and compensation by health maintenance organizations.

Declaratory Ruling 86-8561-M was issued on September 30, 1986, and contains directives to health maintenance organizations ("HMOs") to report salaries, compensation, and emoluments to the Director on the supplemental schedule of their annual reports. For the reasons set forth below, Declaratory Ruling 86-8561-M is hereby rescinded.

DIFS has instructed HMOs to file the National Association of Insurance Commissioners ("NAIC") annual and quarterly statements and forms and to include a supplemental compensation exhibit in their annual statements. The supplemental compensation exhibit contains substantially identical information to that previously required by Declaratory Ruling 86-8561-M. Because DIFS' annual orders contain this instruction and thereby govern the filing of supplemental compensation exhibits, Declaratory Ruling 86-8561-M is obsolete and should be rescinded.

Any questions regarding this memorandum should be directed to:

Department of Insurance and Financial Services
Office of General Counsel
P.O. Box 30220
Lansing, Michigan 48909-7720
Toll Free: (877) 999-6442