

SENATE BILL No. 272

April 5, 1989, Introduced by Senator FAUST and referred
to the Committee on Commerce and Technology.

A bill to amend section 2406 of Act No. 218 of the Public
Acts of 1956, entitled as amended
"The insurance code of 1956,"
as amended by Act No. 7 of the Public Acts of 1982, being section
500.2406 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 2406 of Act No. 218 of the Public Acts
2 of 1956, as amended by Act No. 7 of the Public Acts of 1982,
3 being section 500.2406 of the Michigan Compiled Laws, is amended
4 to read as follows:

5 Sec. 2406. (1) Except in regard to worker's compensation
6 insurance, ~~every~~ EACH insurer shall file with the commissioner
7 every manual of classification, every manual of rules and rates,
8 every rating plan, and every modification of any of the foregoing
9 which it proposes to use. Every ~~such~~ filing shall state the

1 proposed effective date ~~thereof~~ OF THE FILING, and shall
2 indicate the character and extent of the coverage contemplated.
3 ~~When~~ IF a filing is not accompanied by the information upon
4 which the insurer supports ~~such~~ THE filing, and the commis-
5 sioner does not have sufficient information to determine whether
6 ~~such~~ THE filing meets the requirements of this chapter, the
7 commissioner shall within 10 days of ~~such~~ THE filing give writ-
8 ten notice to ~~such~~ THE insurer to furnish the information upon
9 which it supports ~~such~~ THE filing. The information furnished
10 in support of a filing may include ~~(a)~~ the experience or judg-
11 ment of the insurer or rating organization making the filing,
12 ~~(b)~~ its interpretation of any statistical data it relies upon,
13 ~~(c)~~ the experience of other insurers or rating organizations,
14 or ~~(d)~~ any other relevant factors. A filing and any supporting
15 information shall be open to public inspection after the filing
16 becomes effective.

17 (2) Except in regard to worker's compensation insurance AND
18 FOR FILINGS CONCERNING RATES, an insurer may satisfy its obliga-
19 tion to make ~~such~~ filings by becoming a member of, or a sub-
20 scribe to, a licensed rating organization which makes ~~such~~
21 filings, and by filing with the commissioner a copy of its autho-
22 rization of the rating organization to make ~~such~~ filings on its
23 behalf. Nothing contained in this chapter shall be construed as
24 requiring any insurer to become a member of or a subscriber to
25 any rating organization.

26 (3) ~~Every~~ EACH insurer with regard to worker's
27 compensation insurance in this state shall file with the

1 commissioner all rates and rating systems. ~~Every~~ EACH insurer
2 that insures worker's compensation in this state on ~~the effec-~~
3 ~~tive date of this subsection~~ JANUARY 1, 1983 shall file the
4 rates not later than ~~the effective date of this subsection~~
5 JANUARY 1, 1983.

6 (4) Except as provided in subsection (3), the rates and
7 rating systems regarding worker's compensation insurance shall be
8 filed not later than the date the rates and rating systems are to
9 be effective. These filings shall be considered to meet the
10 requirements of this chapter unless and until the commissioner
11 disapproves a filing pursuant to section 2418.

12 (5) Each filing under subsections (3) and (4) shall be
13 accompanied by a certification by the insurer that, to the best
14 of its information and belief, the filing conforms to the
15 requirements of this chapter.

16 Section 2. This amendatory act shall not take effect unless
17 all of the following bills of the 85th Legislature are enacted
18 into law:

19 (a) Senate Bill No. 268.

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21 (b) Senate Bill No. 269.

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23 (c) Senate Bill No. 270.

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25 (d) Senate Bill No. 271.

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1 (e) Senate Bill No. 273.

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3 (f) Senate Bill No. 274.

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5 (g) Senate Bill No. 275.

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7 (h) Senate Bill No. 276.

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9 (i) Senate Bill No. 277.

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