

SUBSTITUTE FOR
HOUSE BILL NO. 4625

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 3173a (MCL 500.3173a), as amended by 2012 PA
204.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3173a. (1) The Michigan automobile insurance placement
2 facility shall **REVIEW A CLAIM FOR PERSONAL PROTECTION INSURANCE**
3 **BENEFITS UNDER THE ASSIGNED CLAIMS PLAN, SHALL** make an initial
4 determination of ~~a claimant's~~ **THE** eligibility for benefits under
5 **THIS CHAPTER AND** the assigned claims plan, and shall deny ~~an~~
6 ~~obviously ineligible~~ **A** claim ~~. The~~ **THAT THE MICHIGAN AUTOMOBILE**
7 **INSURANCE PLACEMENT FACILITY DETERMINES IS INELIGIBLE UNDER THIS**
8 **CHAPTER OR THE ASSIGNED CLAIMS PLAN. IF A CLAIMANT OR PERSON MAKING**
9 **A CLAIM THROUGH OR ON BEHALF OF A CLAIMANT FAILS TO COOPERATE WITH**
10 **THE MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY AS REQUIRED BY**

1 SUBSECTION (2), THE MICHIGAN AUTOMOBILE INSURANCE PLACEMENT
2 FACILITY SHALL SUSPEND BENEFITS TO THE CLAIMANT UNDER THE ASSIGNED
3 CLAIMS PLAN. A SUSPENSION UNDER THIS SUBSECTION IS NOT AN
4 IRREVOCABLE DENIAL OF BENEFITS, AND MUST CONTINUE ONLY UNTIL THE
5 MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY DETERMINES THAT
6 THE CLAIMANT OR PERSON MAKING A CLAIM THROUGH OR ON BEHALF OF A
7 CLAIMANT COOPERATES OR RESUMES COOPERATION WITH THE MICHIGAN
8 AUTOMOBILE INSURANCE PLACEMENT FACILITY. THE MICHIGAN AUTOMOBILE
9 INSURANCE PLACEMENT FACILITY SHALL PROMPTLY NOTIFY IN WRITING THE
10 claimant ~~shall be notified promptly in writing~~ AND ANY PERSON THAT
11 SUBMITTED A CLAIM THROUGH OR ON BEHALF OF A CLAIMANT ~~of the~~ A
12 denial and the reasons for the denial.

13 (2) A CLAIMANT OR A PERSON MAKING A CLAIM THROUGH OR ON BEHALF
14 OF A CLAIMANT SHALL COOPERATE WITH THE MICHIGAN AUTOMOBILE
15 INSURANCE PLACEMENT FACILITY IN ITS DETERMINATION OF ELIGIBILITY
16 AND THE SETTLEMENT OR DEFENSE OF ANY CLAIM OR SUIT, INCLUDING, BUT
17 NOT LIMITED TO, SUBMITTING TO AN EXAMINATION UNDER OATH AND
18 COMPLIANCE WITH SECTIONS 3151 TO 3153. THERE IS A REBUTTABLE
19 PRESUMPTION THAT A PERSON HAS SATISFIED THE DUTY TO COOPERATE UNDER
20 THIS SECTION IF ALL OF THE FOLLOWING APPLY:

21 (A) THE PERSON SUBMITTED A CLAIM FOR PERSONAL PROTECTION
22 INSURANCE BENEFITS UNDER THE ASSIGNED CLAIMS PLAN BY SUBMITTING TO
23 THE MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY A COMPLETE
24 APPLICATION ON A FORM PROVIDED BY THE MICHIGAN AUTOMOBILE INSURANCE
25 PLACEMENT FACILITY IN ACCORDANCE WITH THE ASSIGNED CLAIMS PLAN.

26 (B) THE PERSON PROVIDED REASONABLE PROOF OF LOSS UNDER THE
27 ASSIGNED CLAIMS PLAN AS DESCRIBED IN SECTION 3172.

1 (C) IF REQUIRED UNDER THIS SUBSECTION TO SUBMIT TO AN
2 EXAMINATION UNDER OATH, THE PERSON SUBMITTED TO THE EXAMINATION,
3 SUBJECT TO ALL OF THE FOLLOWING:

4 (i) THE PERSON WAS PROVIDED AT LEAST 21 DAYS' NOTICE OF THE
5 EXAMINATION.

6 (ii) THE EXAMINATION WAS CONDUCTED IN A LOCATION REASONABLY
7 CONVENIENT FOR THE PERSON.

8 (iii) ANY REASONABLE REQUEST BY THE PERSON TO RESCHEDULE THE
9 DATE, TIME, OR LOCATION OF THE EXAMINATION WAS ACCOMMODATED.

10 (3) THE MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY MAY
11 PERFORM ITS FUNCTIONS AND RESPONSIBILITIES UNDER THIS SECTION AND
12 THE ASSIGNED CLAIMS PLAN DIRECTLY OR THROUGH AN INSURER ASSIGNED BY
13 THE MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY TO ADMINISTER
14 THE CLAIM ON BEHALF OF THE MICHIGAN AUTOMOBILE INSURANCE PLACEMENT
15 FACILITY. THE ASSIGNMENT OF A CLAIM BY THE MICHIGAN AUTOMOBILE
16 INSURANCE PLACEMENT FACILITY TO AN INSURER IS NOT A DETERMINATION
17 OF ELIGIBILITY UNDER THIS CHAPTER OR THE ASSIGNED CLAIMS PLAN, AND
18 A CLAIM ASSIGNED TO AN INSURER BY THE MICHIGAN AUTOMOBILE INSURANCE
19 PLACEMENT FACILITY MAY LATER BE DENIED IF THE CLAIM IS NOT ELIGIBLE
20 UNDER THIS CHAPTER OR THE ASSIGNED CLAIMS PLAN.

21 (4) ~~(2)~~—A person who presents or causes to be presented an
22 oral or written statement, including computer-generated
23 information, as part of or in support of a claim to the Michigan
24 automobile insurance placement facility, **OR TO AN INSURER TO WHICH**
25 **THE CLAIM IS ASSIGNED UNDER THE ASSIGNED CLAIMS PLAN**, for payment
26 or another benefit knowing that the statement contains false
27 information concerning a fact or thing material to the claim

1 commits a fraudulent insurance act under section 4503 that is
2 subject to the penalties imposed under section 4511. A claim that
3 contains or is supported by a fraudulent insurance act as described
4 in this subsection is ineligible for payment ~~or~~ **OF PERSONAL**
5 **PROTECTION INSURANCE** benefits under the assigned claims plan.

6 **(5) THE MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY MAY**
7 **CONTRACT WITH OTHER PERSONS FOR ALL OR A PORTION OF THE GOODS AND**
8 **SERVICES NECESSARY FOR OPERATING AND MAINTAINING THE ASSIGNED**
9 **CLAIMS PLAN.**

10 Enacting section 1. This amendatory act takes effect 90 days
11 after the date it is enacted into law.

12 Enacting section 2. This amendatory act does not take effect
13 unless Senate Bill No.____ or House Bill No.____ (request no.
14 00364'17 **) of the 99th Legislature is enacted into law.