

SENATE BILL No. 27

January 12, 2005, Introduced by Senator SCOTT and referred to the Committee on
Banking and Financial Institutions.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 2127 (MCL 500.2127) and by adding section 2128.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2127. The commissioner may by rule prospectively require
2 insurers, rating organizations, and advisory organizations to
3 collect and report data ~~only~~ to the extent necessary to monitor
4 and evaluate the automobile and home insurance markets in this
5 state. The commissioner shall authorize the use of sampling
6 techniques in each instance where sampling is practicable and
7 consistent with the purposes for which the data, by county, are to
8 be collected and reported. **RULES PROMULGATED PURSUANT TO THIS**
9 **SECTION ARE IN ADDITION TO, AND DO NOT REPLACE, THE REPORTING**

1 REQUIREMENTS IN SECTION 2128.

2 SEC. 2128. (1) BY APRIL 1 OF EACH YEAR, EACH INSURER WHO
3 ISSUES AUTOMOBILE INSURANCE OR HOME INSURANCE IN THIS STATE SHALL
4 FILE WITH THE COMMISSIONER ON FORMS PRESCRIBED BY THE COMMISSIONER
5 THE FOLLOWING INSURANCE DATA FOR THE PRIOR CALENDAR YEAR:

6 (A) THE NUMBER OF CLAIMS FOR BENEFITS FOR WHICH PAYMENT IS
7 MADE AND THE AVERAGE TIME FOR PROCESSING THE CLAIMS.

8 (B) THE NUMBER OF CLAIMS FOR BENEFITS THAT ARE CLOSED WITHOUT
9 PAYMENT AND THE AVERAGE TIME FOR PROCESSING THE CLAIMS.

10 (C) THE NUMBER OF CLAIMS FOR BENEFITS THAT INVOLVE SOME FORM
11 OF LITIGATION AND ARE CLOSED WITHOUT PAYMENT AND THE AVERAGE TIME
12 FOR PROCESSING THE CLAIMS.

13 (D) THE NUMBER OF CLAIMS FOR BENEFITS THAT INVOLVE LITIGATION
14 AND FOR WHICH PAYMENT IS MADE AFTER LITIGATION COMMENCES, INCLUDING
15 THE AVERAGE LENGTH OF TIME BETWEEN THE FILING OF THE CLAIM AND THE
16 FIRST PAYMENT.

17 (2) INFORMATION FILED WITH THE COMMISSIONER UNDER SUBSECTION
18 (1) IS SUBJECT TO THE FREEDOM OF INFORMATION ACT, 1976 PA 442, MCL
19 15.231 TO 15.246.