

**THE INSURANCE CODE OF 1956 (EXCERPT)**  
**Act 218 of 1956**

**500.2406 Required filings by insurers; insufficient information; supporting information; notice; public inspection; becoming member of or subscriber to licensed rating organization; rates and rating systems regarding worker's compensation insurance; filings; certification; trade secret.**

Sec. 2406. (1) Except for worker's compensation insurance, an insurer shall file with the director a manual of classification, manual of rules and rates, rating plan, or modification of a manual of classification, manual of rules and rates, or rating plan that the insurer proposes to use. Each filing under this subsection must state the proposed effective date of the filing and must indicate the character and extent of the coverage contemplated. If a filing is not accompanied by the information on which the insurer supports the filing, and the director does not have sufficient information to determine if the filing meets the requirements of this chapter, the director shall within 10 days of the filing give written notice to the insurer to furnish the information that supports the filing. The information furnished in support of a filing may include the experience or judgment of the insurer or rating organization making the filing, its interpretation of any statistical data it relies on, the experience of other insurers or rating organizations, or any other relevant factors. Except as otherwise provided in subsection (6), the department shall make a filing under this subsection and any supporting information open to public inspection after the filing becomes effective.

(2) Except for worker's compensation insurance, an insurer may satisfy its obligation to make filings by becoming a member of, or a subscriber to, a licensed rating organization that makes filings, and by filing with the director a copy of its authorization of the rating organization to make filings on its behalf. This chapter does not require an insurer to become a member of or a subscriber to a rating organization.

(3) For worker's compensation insurance in this state, the insurer shall file with the director all rates and rating systems.

(4) The rates and rating systems for worker's compensation insurance must be filed not later than the date the rates and rating systems are to be effective. A filing under this subsection meets the requirements of this chapter unless and until the director disapproves a filing under section 2418 or 2420.

(5) A filing under subsections (3) and (4) must be accompanied by a certification by the insurer that, to the best of the insurer's information and belief, the filing conforms to the requirements of this chapter.

(6) An insurer or a rating organization filing on the insurer's behalf may designate information included in the filing or any accompanying information as a trade secret. The insurer or the rating organization filing on behalf of the insurer shall demonstrate to the director that the designated information is a trade secret. If the director determines that the information is a trade secret, the information is not subject to public inspection and is exempt from the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246. As used in this subsection, "trade secret" means that term as defined in section 2 of the uniform trade secrets act, 1998 PA 448, MCL 445.1902. However, trade secret does not include filings and information accompanying filings under this section that were subject to public inspection before the effective date of the amendatory act that added this subsection.

**History:** 1956, Act 218, Eff. Jan. 1, 1957;—Am. 1970, Act 180, Imd. Eff. Aug. 3, 1970;—Am. 1982, Act 7, Eff. Jan. 1, 1983;—Am. 1993, Act 200, Eff. Dec. 28, 1994;—Am. 2015, Act 141, Eff. Jan. 11, 2016.

**Compiler's note:** Section 3 of Act 200 of 1993 provides as follows:

"Section 3. This amendatory act shall not take effect unless the state administrative board certifies in writing to the secretary of state by December 31, 1994 that an agreement for the transfer of all or substantially all of the assets and the assumption of all or substantially all of the liabilities of the state accident fund has been consummated with a permitted transferee pursuant to the requirements of section 701a of the worker's disability compensation act of 1969, Act No. 317 of the Public Acts of 1969, being section 418.701a of the Michigan Compiled Laws."

**Popular name:** Act 218