

State Budget Office
Office of Regulatory Reinvention
111 S. Capitol Avenue; 8th Floor, Romney Building,
Lansing, MI 48933
Phone: (517) 335-8658 FAX: (517) 335-9512

REQUEST FOR RULEMAKING (RFR)

Under the Administrative Procedures Act (APA), 1969 PA 306, the agency that has the statutory authority to promulgate rules must electronically file a RFR with the Office of Regulatory Reinvention (ORR) before initiating any changes or additions to the rules. Submit copy to the ORR at orr@michigan.gov.

1. Agency Information

Agency name:	Department of Insurance and Financial Services
Division/Bureau/Office:	Office of General Counsel
Name, title, phone number, and e-mail of person completing this form:	Sarah Wohlford, Deputy General Counsel, 517-284-8743, wohlfords@michigan.gov

2. Rule Set Information

Title of proposed rule set:	Essential Insurance
Rule number(s) or range of numbers:	R 500.1501 through R 500.1521
Included in agency's annual regulatory plan as rule to be processed in current year?	Yes.

3. Estimated timetable for completion, or statutory deadline, if applicable:

As soon as possible.

4. Describe the general purpose of these rules, including any problem(s) the changes are intended to address:

These rules: a) set forth standards for evaluating rates charged in relation to policies issued under the Chapter 21 of the Insurance Code, MCL 500.2101 <i>et seq.</i> (also known as the Essential Insurance Act); b) establish procedures to be followed in processing requests for a "review and determination" under Section 2113 of the Insurance Code, MCL 500.2113; and c) set forth reporting and claim information requirements and procedures applicable to insurers. The proposed amendments will: a) clarify the processes applicable to review and determinations; b) make technical changes to more clearly differentiate between the "private informal managerial level conference" that must precede a review and determination, and the review and determination itself; and 3) provide for a remedy to be imposed by the Director to resolve review and determination based on an incorrect premium charge.
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5. Cite the specific rule promulgation authority (i.e. agency director, commission, board, etc., listing all applicable statutory references. If the rule(s) are mandated by any applicable constitutional or statutory provision, please explain.

These rules are promulgated under the general permissive rulemaking authority in MCL 500.210 and specific, mandatory rulemaking authority in MCL 500.2113.
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6. Describe the extent to which the rule(s) conflict with, duplicate, or exceed similar regulations, compliance requirements, or other standards adopted at the state, regional, or federal level. Include applicable public act and statutory references.

These rules do not conflict with, duplicate, or exceed similar regulations, compliance requirements, or other standards adopted at the state, regional, or federal level.

7. Is the subject matter of the rule(s) currently contained in any guideline, manual, handbook,

instructional bulletin, form with instructions, or operational memo?

No.

8. Explain whether the rule(s) will be promulgated under Sections 44 or 48 of the APA or the full rulemaking process:

These rules will be promulgated under the full rulemaking process.

9. Do the rule(s) incorporate the recommendations of any Advisory Rules Committee formed pursuant to Executive Order 2011-5? If yes, explain.

These rules were not addressed by the Advisory Rules Committee formed pursuant to Executive Order 2011-5.

10. Is there an applicable decision record as defined in Section 3(6) and required by Section 39(2) of the APA? If so, please attach the decision record.

No.

11. Reviewed by the following Departmental Regulatory Affairs Officer:

Sarah Wohlford

 ↓ To be completed by the ORR ↓

Date RFR received:4-24-2019

Based on the information in this RFR, the ORR concludes that there are sufficient policy and legal bases for approving the RFR.

ORR assigned rule set number:	2019-042 IF
Date of approval:	4/30/19

Based on the information in this RFR, the ORR is not approving the RFR at this time.

Date of disapproval:	
Explanation:	