



**House  
Legislative  
Analysis  
Section**

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**INSURER'S DUTY TO DEAL FAIRLY  
AND IN GOOD FAITH WITH  
CLAIMANTS**

**House Bill 4740**

**Sponsor: Rep. Andy Neumann**

**House Bill 4741**

**Sponsor: Rep. Glenn Anderson**

**House Bill 4742**

**Sponsor: Rep. Paul Wojno**

**House Bill 4743**

**Sponsor: Rep. Stephen Adamini**

**House Bill 4744**

**Sponsor: Rep. Jack Minore**

**Committee: Insurance and Financial  
Services**

**Complete to 7-11-01**

**House Bills 4740-4744 (7-11-01)**

**A SUMMARY OF HOUSE BILLS 4740-4744 AS INTRODUCED 5-8-01**

The bills would amend the Insurance Code (MCL 500.100 et al.) to require various types of insurers to deal fairly and in good faith with an insured who claims benefits. An insurer that breached this duty would be liable for compensatory, consequential, and exemplary damages proximately caused by the breach.

House Bill 4740 would apply to insurers obligated to pay benefits or claims under a policy of disability insurance, insurers obligated to pay benefits or claims under a group disability insurance policy, and health maintenance organizations.

House Bill 4741 would apply to insurers obligated to pay benefits or claims under either a life insurance policy or a group life insurance policy.

House Bill 4742 would apply to insurers obligated to pay benefits or claims under an automobile insurance company.

House Bill 4743 would apply to health care corporations.

House Bill 4744 would apply to insurers obligated to pay benefits or claims under a property and casualty insurance policy.

Analyst: J. Caver

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