

# HOUSE BILL NO. 5181

October 30, 2025, Introduced by Reps. Dievendorf, Breen, Rheingans, Arbit, Weiss, T. Carter, Pohutsky, Brixie, Xiong, Wilson, Conlin, MacDonell, Mentzer, Price, B. Carter, Paiz, Morgan, McFall, Longjohn, Hope, Byrnes, Andrews, Tsernoglou, Young, Hoskins, McKinney, Skaggs and Myers-Phillips and referred to Committee on Economic Competitiveness.

A bill to amend 1969 PA 317, entitled  
"Worker's disability compensation act of 1969,"  
by amending section 847 (MCL 418.847), as amended by 2011 PA 266,  
and by adding section 224.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        **Sec. 224. (1) Subject to section 847, the parties to a claim**  
2        **for benefits shall mediate the claim under this section if any of**  
3        **the following circumstances apply:**

4        **(a) The claim concerns a definite period of time and the**  
5        **employee has returned to work.**

1 (b) The claim is for medical benefits only.

2 (c) The claimant is not represented by an attorney.

3 (d) The agency determines the claim may be settled by  
4 mediation.

5 (2) All other claims may be mediated under this section by the  
6 request of any party to the claim.

7 (3) The agency, upon proper notice to all parties, shall  
8 schedule a mediation conference for a claim that is to be mediated.  
9 The parties may stipulate to conduct more than 1 mediation  
10 conference.

11 (4) Immediately before a mediation conference is held, the  
12 agency shall review the carrier's response with the employee. The  
13 agency shall also provide to the employee a clear and concise  
14 explanation of the employee's rights and responsibilities under  
15 this act including a reasonable estimate of the maximum benefits to  
16 which the employee would be entitled if the claim is approved and  
17 the amounts that could be deducted for attorney fees and costs.  
18 Before the mediation conference, the employer or its carrier shall  
19 provide sufficient and reliable data to enable the agency to  
20 provide a reasonable estimate of the maximum benefits that could be  
21 obtained.

22 (5) If a claim is not resolved by mediation, 1 of the  
23 following must occur:

24 (a) If the amount of the claim is for \$10,000.00 or less, the  
25 claim is referred to the small claims division of the agency,  
26 unless the claimant chooses to have the claim assigned to a  
27 magistrate under section 847.

28 (b) If the amount of the claim is for more than \$10,000.00,  
29 the claim is assigned to a magistrate under section 847.

1           (6) The willful failure of a party to comply with this section  
2 prohibits that party from proceeding under this act.

3           Sec. 847. (1) Except as otherwise provided for under this act,  
4 upon the filing with the agency by any party in interest of an  
5 application in writing stating the general nature of any claim as  
6 to which any dispute or controversy may have arisen, the case ~~shall~~  
7 **must** be set for mediation or hearing, as applicable. An application  
8 may be submitted electronically. A worker's compensation magistrate  
9 shall hear a case that is set for hearing.

10           (2) The worker's compensation magistrate, in addition to a  
11 written order, shall file a concise written opinion stating ~~his or~~  
12 ~~her~~ **the magistrate's** reasoning for the order including any findings  
13 of fact and conclusions of law. The order and opinion ~~shall~~ **must** be  
14 part of the record of the hearing. The order and opinion may be  
15 filed and distributed electronically.

16           ~~(3) If the agency or the Michigan administrative hearing~~  
17 ~~system determines that a case may be resolved by mediation, the~~  
18 ~~case may be mediated by the parties. If the matter is not resolved~~  
19 ~~by the mediation, the case shall be set for hearing.~~