

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

500.2606 Rate filings; proposed effective date; character and extent of coverage; insufficient information; public inspection; trade secret; inland marine rates; insurer as member of or subscriber to rating organization.

Sec. 2606.

(1) Each insurer shall file with the director, except as to inland marine risks that by general custom of the business are not written according to manual rates or rating plans, every manual, minimum, class rate, rating schedule or rating plan and every other rating rule, and every modification of any of the foregoing that it proposes to use. In its filing, each insurer shall state the proposed effective date of the filing and shall indicate the character and extent of the coverage contemplated.

(2) 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 whether the filing meets the requirements of this chapter, the director shall require the insurer to furnish the information that supports the filing and the waiting period commences on the date the information is furnished. 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.

(3) Except as otherwise provided in this subsection, the department shall make a filing under this section and any supporting information open to public inspection after the filing becomes effective. 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 sentence.

(4) Specific inland marine rates on risks specially rated, made by a rating organization, must be filed with the director.

(5) An insurer may satisfy its obligation to make filings under this section 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 the filings on its behalf. This chapter does not require an insurer to become a member of or a subscriber to a rating organization.

History: 1956, Act 218, Eff. Jan. 1, 1957 ;-- Am. 1970, Act 180, Imd. Eff. Aug. 3, 1970 ;-- Am. 2015, Act 141, Eff. Jan. 11, 2016

Popular Name: Act 218