



January 29, 2013

**Circular Number
ACL (MI) 13-01**

**Michigan Assigned Claims Plan, maintained by the Michigan Automobile Insurance
Placement Facility**

Effective Date

June 27, 2012

State

Michigan

Distribution

Automobile Insurers and Authorized Self-Insurers in Michigan

Content

Michigan Public Act 204 effective June 27, 2012 transitioned the functions of the Michigan Assigned Claims Plan from the Michigan Secretary of State to the Michigan Automobile Insurance Placement Facility. This communication will highlight some of the changes you will see with the upcoming 2012 annual Assigned Claims assessment process.

What WILL NOT change:

- Claims made under the assigned claims plan will continue to be serviced by the same servicing insurers.
- The assessment will continue to be distributed amongst both automobile insurers and authorized self-insurers in Michigan.
- Payments will continue to be due within 30 days.
- Assessments will include expenses for the previous year; in 2013, the assessment will reflect claim costs and expenses for 2012 when the Secretary of State was administering the Plan.

What WILL change:

- MAIPF will now perform the audit of the claim payments made by the serving insurers.
- Assessments will include an estimated amount for future administrative expenses that will be true-up the following year.
- AIPSO, a residual market management organization, will administer the assessment calculation, invoicing and payment process.
- Attached is a sample version of the invoice.
- Where applicable, invoices will be issued on an insurer group basis rather than on an individual insurer basis; however, detail for each individual insurer will be displayed on the group's invoice. MACP insurer groupings will be the same as the MAIPF annual assessment insurer groupings.
- Exception premium (for snowmobiles and motorcycles) will now be reported on a form prescribed by the MAIPF (attached and found at <http://www.michacp.org/assessment.aspx>). This will continue to be due by March 1.
- Self-insurers will no longer be required to submit their self-insured vehicle counts annually to the Secretary of State; this function is now being assumed by the Office of Financial and Insurance Regulation (OFIR). MAIPF will obtain this information from OFIR.

Additional details can be found at our website: www.michacp.org

Attachment(s)

- (1) Form for reporting non-assessable snowmobile and/or motorcycle premiums
- (2) Sample insurer assessment invoice

Contacts

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MICHIGAN ASSIGNED CLAIMS PLAN PARTICIPATION REPORT & ASSESSMENT

Assessment Year 20XX

INVOICE DATE	INVOICE NUMBER	COMPANY REMITTANCE CODE	DUE DATE	AMOUNT DUE
07/01/20XX	AC0713MXXX	01111	08/01/20XX	\$X,XXX,XXX

01111 SAMPLE INSURANCE COMPANY

A. Total Program

1. Claims Paid	\$xxx,xxx,xxx.xx
2. Loss Adjustment Expense	\$xx,xxx,xxx.xx
3. Statutory Interest	\$xxx,xxx.xx
4. Servicing Insurer Recoveries	-\$x,xxx,xxx.xx
5. Total Servicing Insurer Expenditures (Subtotal A.1 – A.4)	\$xxx,xxx,xxx.xx
6. MAIPF Administrative Costs	\$xxx,xxx.xx
7. Collections of Late Payment Interest	-\$x,xxx.xx
8. MAIPF Recoveries	-\$x,xxx,xxx.xx
9. Prior Year Adjustments	\$xx,xxx.xx
10. Total MAIPF Expenditures (Subtotal A.6 – A.9)	-\$xxx,xxx.xx
11. Total Program Assessment (A.5) + (A.10)	\$xxx,xxx,xxx.xx

B. Carrier/Self-Insurer Participation

1. Your Company's Annual Statement Premium (Net of Exception Premium)	\$x,xxx,xxx
2. Statewide Annual Statement/Imputed Premium	\$x,xxx,xxx,xxx
3. Your Company's Participation Ratio (B1) / (B2)	0.xxxxxxx
4. Your Total Assessment (A11) * (B3)	\$x,xxx,xxx

<u>CODE / COMPANIES INCLUDED</u>	<u>PARTICIPATION RATIO</u>	<u>ANNUAL STATEMENT/ IMPUTED PREMIUM</u>	<u>ASSMT.</u>
01111 SAMPLE INSURANCE COMPANY	0.xxxxxxx	\$x,xxx,xxx	\$xxx,xxx
01112 AFFILIATE INSURANCE COMPANY A	0.xxxxxxx	\$x,xxx,xxx	\$xxx,xxx
01113 AFFILIATE INSURANCE COMPANY B	0.xxxxxxx	\$xxx,xxx	\$xxx,xxx
01114 AFFILIATE INSURANCE COMPANY C	0.xxxxxxx	\$x,xxx	\$xx,xxx
01115 AFFILIATE INSURANCE COMPANY D	0.xxxxxxx	\$x,xxx	\$xxx
01116 AFFILIATE INSURANCE COMPANY E	0.xxxxxxx	\$xx	\$x
01117 AFFILIATE INSURANCE COMPANY F	0.xxxxxxx	\$x,xxx	\$xx,xxx

If the "Amount Due" displayed above is a positive balance, please remit this amount. Payments must be postmarked by the due date. Failure to remit funds by the due date will result in the assessment of late payment fees in accordance with Plan requirements. The minimum late payment fee is \$50.00. MAKE CHECK PAYABLE TO: MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY, c/o AIPSO, PO Box 6530, Providence, RI 02940-6530, to the attention of the Director of Financial and Investment Services.

If the "Amount Due" displayed above is a negative balance, payment will be issued to the carrier electronically within 45 days of the invoice date (typically applicable only to MACP servicing insurers.)