

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

500.1264 Probation, suspension, revocation, or denial of certificate; refusal to issue; civil fine; examination of books and records.

Sec. 1264.

(1) In addition to any other powers under this act, the director may place on probation, suspend, or revoke a certificate or may levy a civil fine under section 1270 or any combination of actions, and the director shall refuse to issue a certificate under section 1263, for any 1 or more causes that would be a ground for refusal, suspension, or revocation of an insurance producer's license under section 1239. The director may revoke a certificate of a person or refuse to issue a certificate for a person that receives financial compensation, including monetary and in-kind compensation, gifts, or any compensation related to enrollment from an insurer offering qualified health benefits through an exchange operating in this state. The director may deny, suspend, approve, renew, or revoke a certificate if the director considers it necessary to protect insureds and the public.

(2) The certificate of a business entity may be suspended, revoked, or refused if the director finds, after hearing, that an individual certificate holder's violation was known or should have been known by 1 or more of the partners, officers, or managers acting on behalf of the business entity and the violation was neither reported to the director nor corrective action taken.

(3) The director may examine the books and records of a certificate holder to determine whether the certificate holder is conducting its business in accordance with this chapter. For the purpose of facilitating the examination, the certificate holder shall allow the director free access, at reasonable times, to all of the certificate holder's books and records relating to transactions to which this chapter applies.

History: Add. 2014, Act 566, Imd. Eff. Jan. 15, 2015

Compiler's Notes: Enacting section 1 of Act 566 of 2014 provides: "Enacting section 1. (1) This amendatory act shall not be construed to do any of the following: (a) Authorize this state or an agency of this state to conduct or oversee state-level governmental consumer assistance functions for an American health benefit exchange established or operating in this state under the patient protection and affordable care act, Public Law 111-148, as amended by the health care and education reconciliation act of 2010, Public Law 111-152. (b) Convey any administrative, statutory, rule-making, or other power to this state or an agency of this state to authorize, establish, or operate an American health benefit exchange in this state that did not exist before the effective date of this amendatory act. (2) It is the intent of this legislature that any consumer assistance functions by or overseen by this state or an agency of this state with regard to an American health benefit exchange shall be conducted in a manner that utilizes and highlights Michigan-based resources, including insurance producers, in order to best serve the residents of this state and to ensure appropriate health care decisions." Enacting section 2 of Act 566 of 2014 provides: "Enacting section 2. This amendatory act applies to policies, certificates, or contracts delivered, issued for delivery, or renewed in this state on and after the effective date of this amendatory act."

Popular Name: Act 218