

Act No. 192  
Public Acts of 2023  
Approved by the Governor  
November 7, 2023  
Filed with the Secretary of State  
November 7, 2023  
EFFECTIVE DATE: November 7, 2023

**STATE OF MICHIGAN  
102ND LEGISLATURE  
REGULAR SESSION OF 2023**

**Introduced by Senators Hertel, Johnson, McMorro, McCann, Geiss, Chang, Wojno, Shink,  
Klinefelt, Bayer and Santana**

## **ENROLLED SENATE BILL No. 384**

AN ACT to amend 1956 PA 218, entitled “An act to revise, consolidate, and classify the laws relating to the insurance and surety business; to regulate the incorporation or formation of domestic insurance and surety companies and associations and the admission of foreign and alien companies and associations; to provide their rights, powers, and immunities and to prescribe the conditions on which companies and associations organized, existing, or authorized under this act may exercise their powers; to provide the rights, powers, and immunities and to prescribe the conditions on which other persons, firms, corporations, associations, risk retention groups, and purchasing groups engaged in an insurance or surety business may exercise their powers; to provide for the imposition of a privilege fee on domestic insurance companies and associations and the state accident fund; to provide for the imposition of a tax on the business of foreign and alien companies and associations; to provide for the imposition of a tax on risk retention groups and purchasing groups; to provide for the imposition of a tax on the business of surplus line agents; to provide for the imposition of regulatory fees on certain insurers; to provide for assessment fees on certain health maintenance organizations; to modify tort liability arising out of certain accidents; to provide for limited actions with respect to that modified tort liability and to prescribe certain procedures for maintaining those actions; to require security for losses arising out of certain accidents; to provide for the continued availability and affordability of automobile insurance and homeowners insurance in this state and to facilitate the purchase of that insurance by all residents of this state at fair and reasonable rates; to provide for certain reporting with respect to insurance and with respect to certain claims against uninsured or self-insured persons; to prescribe duties for certain state departments and officers with respect to that reporting; to provide for certain assessments; to establish and continue certain state insurance funds; to modify and clarify the status, rights, powers, duties, and operations of the nonprofit malpractice insurance fund; to provide for the departmental supervision and regulation of the insurance and surety business within this state; to provide for regulation over worker’s compensation self-insurers; to provide for the conservation, rehabilitation, or liquidation of unsound or insolvent insurers; to provide for the protection of policyholders, claimants, and creditors of unsound or insolvent insurers; to provide for associations of insurers to protect policyholders and claimants in the event of insurer insolvencies; to prescribe educational requirements for insurance agents and solicitors; to provide for the regulation of multiple employer welfare arrangements; to create an automobile theft prevention authority to reduce the number of automobile thefts in this state; to prescribe the powers and duties of the automobile theft prevention authority; to provide certain powers and duties upon certain officials, departments, and authorities of this state; to provide for an appropriation; to repeal acts and parts of acts; and to provide penalties for the violation of this act,” (MCL 500.100 to 500.8302) by adding sections 3406z, 3901a, and 4002.

*The People of the State of Michigan enact:*

Sec. 3406z. (1) This section applies to disability insurance policies or certificates delivered or issued for delivery after December 31, 2023.

(2) Unless there is an additional actuarial risk, as determined in accordance with sound actuarial principles as well as the individual's actual and reasonably anticipated experience, an insurer shall not do any of the following with respect to a disability insurance policy or certificate based solely on the individual's status as a living donor:

- (a) Deny coverage.
- (b) Cancel coverage.
- (c) Refuse to issue the policy or certificate.
- (d) Determine the price or premium for the policy or certificate.
- (e) Otherwise vary a term or condition of the policy or certificate.

(3) As used in this section:

(a) "Living donor" means an individual who is not deceased and has donated any of the following:

- (i) All or part of an organ.
- (ii) A tissue.

(b) "Organ" means a human kidney, liver, heart, lung, pancreas, esophagus, stomach, or small or large intestine, a portion of the human gastrointestinal tract, or another part of the human body designated by the department by rule.

(c) "Tissue" means a portion of the human body other than an organ, including, but not limited to, an eye, skin, bone, bone marrow, a heart valve, a spermatozoon, an ova, an artery, a vein, a tendon, a ligament, blood, blood derivatives, a pituitary gland, or fluid.

Sec. 3901a. (1) This section applies to all long-term care insurance policies or certificates delivered or issued for delivery after December 31, 2023.

(2) Unless there is an additional actuarial risk, as determined in accordance with sound actuarial principles as well as the individual's actual and reasonably anticipated experience, an insurer shall not do any of the following with respect to a long-term care insurance policy or certificate based solely on the individual's status as a living donor:

- (a) Deny coverage.
- (b) Cancel coverage.
- (c) Refuse to issue the policy or certificate.
- (d) Determine the price or premium for the policy or certificate.
- (e) Otherwise vary a term or condition of the policy or certificate.

(3) As used in this section:

(a) "Living donor" means an individual who is not deceased and has donated any of the following:

- (i) All or part of an organ.
- (ii) A tissue.

(b) "Organ" means a human kidney, liver, heart, lung, pancreas, esophagus, stomach, or small or large intestine, a portion of the gastrointestinal tract, or another part of the human body designated by the department by rule.

(c) "Tissue" means a portion of the human body other than an organ, including, but not limited to, an eye, skin, bone, bone marrow, a heart valve, a spermatozoon, an ova, an artery, a vein, a tendon, a ligament, blood, blood derivatives, a pituitary gland, or fluid.

Sec. 4002. (1) This section applies to life insurance policies or certificates delivered or issued for delivery after December 31, 2023.

(2) Unless there is an additional actuarial risk, as determined in accordance with sound actuarial principles as well as the individual's actual and reasonably anticipated experience, an insurer shall not do any of the following with respect to a life insurance policy or certificate based solely on the individual's status as a living donor:

- (a) Deny coverage.
- (b) Cancel coverage.
- (c) Refuse to issue the policy or certificate.
- (d) Determine the price or premium for the policy or certificate.
- (e) Otherwise vary a term or condition of the policy or certificate.

(3) As used in this section:

(a) "Living donor" means an individual who is not deceased and has donated any of the following:

(i) All or part of an organ.

(ii) A tissue.

(b) "Organ" means a human kidney, liver, heart, lung, pancreas, esophagus, stomach, or small or large intestine, a portion of the gastrointestinal tract, or another part of the human body designated by the department by rule.

(c) "Tissue" means a portion of the human body other than an organ, including, but not limited to, an eye, skin, bone, bone marrow, a heart valve, a spermatozoon, an ova, an artery, a vein, a tendon, a ligament, blood, blood derivatives, a pituitary gland, or fluid.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved \_\_\_\_\_

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Governor