

Auto Casualty

Mitchell’s Plan to Address Michigan SB1 No-Fault Legislation for Bill Review

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3 MIN READ

Michigan passed SB1 on May 30, 2019, which overhauls the Michigan auto no-fault system with a new fee schedule effective July 2021. This legislation will have a major effect on Mitchell clients and other insurance carriers that operate in Michigan, therefore Mitchell is taking a methodical approach to understanding the law, researching the changes, reaching out to the appropriate resources, educating our clients and developing solutions to support the market.

Mitchell's Plan to Assess and Address Michigan SB1

Mitchell has developed a four-step plan to ensure we fully understand the legislation and can gauge its impact prior to developing compliant products to assist our clients with the new payment models.

Step 1: Understanding and Assessment

Our first step will be to make sure we fully understand every aspect of the legislation inside and out. This piece of legislation is large, complex and ambiguous in many areas. In order to complete a full assessment, multiple Mitchell subject matter experts will continuously evaluate the legislation, collaborate and pose questions and options to our Regulatory Compliance Management team for identification of scope.

Over the next 60 days, Mitchell will be mapping content from SB1 in our foundational systems to outline potential requirements in program and software application design. Our experts are continuing to evaluate customer questions and regulatory language in SB1 to make sure we understand and apply rules appropriately.

Step 2: Fact-Finding with Clients

Once we are confident we understand the requirements at a high level, Mitchell's Regulatory Compliance Management team will begin meeting with Mitchell customers to ensure we are aligned in our understanding of the law and of our customers' expectations related to SB1. Our goal is to come to a consensus with our clients where possible and to provide options when necessary. We understand there is ambiguity and areas of SB1 that can be misinterpreted. Our goal will be to gain clarity and collaborate with individual customers. Mitchell has vast experience in designing bill review solutions and fee schedule databases and will tap into that expertise

throughout the process.

Step 3: Implementation Planning Discussions with Clients

Often, our customers have extensive knowledge about legislative changes as well. Since Mitchell reviews this type of legislation with the intent of using technology as a tool for our customers, we may have a different viewpoint that we impart as part of the education process. We will work to educate and collaborate with our clients on SB1 and provide information we have researched that may play a role in a customer's decision making process when using Mitchell bill review application tools.

Step 4: Developing & Delivering Solutions

Mitchell anticipates that as a result of Michigan SB1, we will need to deliver new and updated solutions to assist our clients in staying compliant with bill review under the modified Michigan no-fault system. After we have completed the first three steps of our plan, we will begin working with our product management and development teams to build and execute solutions. Mitchell is treating the Michigan no-fault changes as its own program due to the size, depth and the many facets of changes that will be needed in a bill review tool. Our plan is to assemble training documents and present webinars that will provide information on best practices for addressing the changes in bill review and other potential solutions.

Mitchell will continue communicating with you as we go through this four-step process. Please contact your Mitchell representative for any further information or with any questions.



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