

DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES

INSURANCE BUREAU

CREDIT INSURANCE AGE UNDERWRITING

(By authority conferred on the commissioner of insurance by section 210 of Act No. 218 of the Public Acts of 1956, as amended, and section 22 of Act No. 173 of the Public Acts of 1958, as amended, being SS500.210 and 550.622 of the Michigan Compiled Laws)

R 500.2031 Definitions.

Rule 1. (1) As used in these rules:

(a) "Act" means Act No. 173 of the Public Acts of 1958, as amended, being S550.601 et seq. of the Michigan Compiled Laws, and known as the credit insurance act.

(b) "Code" means Act No. 218 of the Public Acts of 1956, as amended, being S500.100 et seq. of the Michigan Compiled Laws, and known as the insurance code of 1956.

(2) Terms defined in the act and the code have the same meanings when used in these rules.

History: 1984 AACS.

R 500.2032 Prohibited underwriting practices.

Rule 2. For purposes of section 2027(a)(ii) of the code, with respect to the underwriting of credit life insurance, a reasonable relationship does not exist between any age up to and including age 70 and the extent of the risk or the coverage issued or to be issued. In transacting credit life insurance, insurers shall not refuse to insure, refuse to continue to insure, or limit the amount of insurance available to an individual because the person is age 70 or under. This prohibition shall not apply to any disability benefit in connection with credit life insurance coverage.

History: 1984 AACS.