Frankenmuth Insurance to Delay Implementation of Revised Order of Priority Following DIFS’ Recent Order

Based on a Sept. 20 Director’s Order from the Department of Insurance & Financial Services, Frankenmuth Insurance has decided to delay implementation of changes to the order of priority until July 2020 when other aspects of the law go into effect.

The Director’s Order requires insurers to file revised forms and rates before using the revised order of priority that was passed into law on June 11.

To view a copy of DIFS’ recent order, please click here.

To comply with the order, Frankenmuth Insurance will apply the previous order of priority to determine coverage of no-fault claims until July 2, 2020. After our forms and rates have been revised, filed and approved, we will follow the new order of priority.

In the meantime, we want to help your agency identify policyholders who will be impacted when the new order of priority does go into effect. This past August, we began providing our agencies with listings of policies in which a vehicle is not garaged at the policyholders’ address and when a non-relative is listed as a driver. We recommend that your agency continue to review these accounts and begin to discuss changes with policyholders to make them aware of potential gaps in their coverage that may need to be corrected.

We remain committed to working closely with you, DIFS, the Insurance Alliance of Michigan and our other industry partners to work through the changes to our law, and we will continue to provide additional information to you along the way. As always, please feel free to share your questions with your underwriter and field manager and we will do our best to address them.