

MICHIGAN ASSIGNED CLAIMS PLAN

Sec. 1. PURPOSES

The Michigan Automobile Insurance Placement Facility (hereinafter referred to as "MAIPF") shall adopt, implement and maintain an assigned claims plan (hereinafter referred to as the "Plan") pursuant to MCL500.3172.

The purpose of the Plan is

- A. to establish procedures for disbursement of personal injury protection insurance benefits to any person entitled as outlined in MCL 500.3172; and
- B. to establish procedures for the equitable distribution of claims and expenses among insurers, including self-insurers who are required to participate under the Plan. For the purposes of the Plan, "insurer(s)" shall include self-insurers.

Sec. 1.1 EFFECTIVE DATE/TRANSITION

- A. Pursuant to MCL 500.3171, the MAIPF shall begin the process to adopt, implement and maintain the Plan effective June 27, 2012.
- B. The Michigan Secretary of State shall manage the assigned claims facility operation through December 31, 2012. All new claims for benefits through the Plan (MCL 500.3172) shall be filed with the MAIPF on or after January 1, 2013.
- C. Active claims that have been assigned under the assigned claims facility maintained by the Michigan Secretary of State will be transferred to the MAIPF no later than January 1, 2013.
- D. All other operational functions of the assigned claims facility maintained by the Michigan Secretary of State, with the exception of driver license and vehicle sanctions, will be transferred to the MAIPF no later than January 1, 2013.
- E. The transfer of all paper and electronic records for active claims from the assigned claims facility maintained by the Michigan Secretary of State to the MAIPF will be executed no later than January 1, 2013. The transfer and disposition of records for closed claims will be executed no later than June 30, 2013.
- F. The MAIPF will reimburse the Secretary of State for all reasonable expenses incurred
 - 1. to assist in the development of the Plan;
 - 2. to transfer operations from the assigned claims facility to the MAIPF; and
 - 3. for operations performed by the Michigan Secretary of State on behalf of the MAIPF after the transfer of operations pursuant to F (2) of this section are complete.

Reimbursement will occur after insurer assessments are collected for the year in which the expenses were incurred.

Sec. 2. ADMINISTRATION

The Plan shall be administered by the Board of Governors (hereinafter referred to as "the Board") of the MAIPF as set forth in MCL 500.3330.

Sec. 3. DUTIES OF THE BOARD REGARDING THE PLAN

The Board shall meet as often as may be required to perform the general duties of administration of the Plan. Four members of the Board shall constitute a quorum.

The Board shall be empowered to hire legal counsel, budget expenses, levy assessments, disburse funds, develop manuals, and exercise all powers relating to the Plan which are not delegated to others.

Annually, the MAIPF shall prepare an operating budget in the prescribed manner for submission to the Board. Such budget shall be approved by the Board. Any expenditure in excess of, or not included in, the annual budget shall be subject to approval by the Board. The Board shall furnish a written report of operations to the Director of Insurance (hereinafter referred to as the "Director") pursuant to MCL 500.3178.

Sec. 4 INDEMNIFICATION

- A. In compliance with the Servicing Insurer Guidelines, the MAIPF shall indemnify each servicing insurer against any and all losses, post judgment interest, settlements, court costs, and other reasonable costs and expenses, including attorney's fees, and any other liabilities (hereinafter, "liability") incurred by, imposed upon, or suffered by such servicing insurer in connection with or resulting from any assigned claim.
- B. The MAIPF shall indemnify each individual, insurer, or servicing insurer against any and all losses, damages, judgments, post judgment interest, settlements, fines, court costs, and other reasonable costs and expenses, including attorney's fees, and any other liabilities (hereinafter, "liability") incurred by, imposed upon, or suffered by such individual, insurer or servicing insurer in connection with or resulting from any claim, action, suit, or proceeding, actual or threatened (hereinafter, "claim") arising out of and in connection with the performance of duties on any committee or on the Board or predecessor organization or arising out of and in connection with the performance of duties as an officer or employee, or performance of its duties as a servicing insurer provided such individual, insurer, or servicing insurer:
1. . . . reasonably believed the performance of duties was in accordance with the objectives of the Plan;
 2. . . . had no reasonable cause to believe the performance of duties was improper or illegal;
 3. . . . shall have promptly provided written notification of any claim to the MAIPF at its main office;
 4. . . . in the case of a servicing insurer, acted in accordance with the standards and requirements of its Servicing Insurer Agreement with the MAIPF. Interest resulting in untimely payment of PIP benefits as outlined in MCL 500.3142 will not be reimbursed.
- C. Indemnification as described in Section 4.B. shall be provided whether or not the individual, insurer, or servicing insurer is still serving on the Board or on any committee or is still an officer or employee or is still acting as a servicing insurer at the time of the commencement of any claim, and whether or not any possible liability is incurred through the performance of duties prior to the adoption of this Section.

Any settlement of any claim must be made with the prior approval of the Board or its designee in order for indemnification under this Section to be available.

Whenever an individual, insurer, or servicing insurer seeks indemnification under this Section, entitlement to indemnification shall be determined by the Board which shall also determine the time and manner of indemnification including reimbursement with interest.

The MAIPF may elect to defend, pay, or otherwise dispose of any claim, at its own cost, and will promptly advise the individual, insurer or servicing insurer seeking indemnification whether it so elects.

The cost of fulfilling the MAIPF's obligations under this Section shall be a cost of administration as provided in Section 7.

Sec. 5. APPLICATION AND CLAIM PROCESS

Sec. 5.1 APPLICATION

- A. A claim for personal protection insurance benefits under the Plan must be made on an application prescribed by the MAIPF.
1. The application for benefits must be complete and signed by the claimant.
 - a. Claimant means a person claiming accidental bodily injury arising out of the ownership, operation, maintenance or use of a motor vehicle as a motor vehicle in this state.
 - b. If the claimant is a minor, the application shall be signed by a parent or legal guardian.
 2. The completed application for benefits must be received by the MAIPF not more than 1 year after the date of an accident.
 3. All claims for no fault benefits must be submitted and received within one year from the date of the loss and/or the date of the service incurred.

B.

1. An application for benefits under the Plan must be accompanied by a satisfactory proof of loss, documentation supporting that due diligence was exercised and the amount of loss sustained.
2. Upon receipt of a claim for benefits, the MAIPF may make an initial determination of the claimants' eligibility for benefits. The claimant shall reasonably cooperate with MAIPF in the investigation of any claim, including furnishing medical records and submitting to an examination under oath.
3. A satisfactory proof of loss may include a police report, an EMS report and/or any other documentation that the MAIPF deems satisfactory to substantiate that the claimant may be entitled to benefits through the MACP.
4. Due diligence is exercised when the claimant or their representative has investigated and exhausted all avenues of any other available coverage. This may include, but is not limited to, contact attempt with the claimant, the claimant's resident relatives or spouse, the involved vehicle owner(s), the involved vehicle driver and any other actions that the MAIPF deems necessary for the claimant or their representative to determine that the claimant may be entitled to benefits through the MACP.
5. If the claim is assigned, the servicing insurer will make the final determination of eligibility.
6. If the claimant does not qualify for benefits under MCL 500.3172, the claim may be denied by the MAIPF or the servicing insurer.
7. If the claim is denied, the claimant shall be notified promptly, in writing, of the denial and the reason(s) for the denial.

Sec 5.2 ASSIGNMENT

- A. An initially eligible claim shall be assigned by the MAIPF to a servicing insurer. Claims will be allocated to servicing insurers in reasonable relation to their volume of automobile liability and personal protection insurance for their voluntary business pursuant to MCL 500.3175(1) except when the Board suspends assignments to a servicing insurer under Section 6.E.4.
- B. The MAIPF shall notify the claimant of the identity and contact information of the servicing insurer to which the claim is assigned.

Sec 5.3 INVESTIGATION, DENIAL OR PAYMENT

- B. A servicing insurer to whom a claim has been assigned shall investigate the claim for benefits under the Plan.
 1. A servicing insurer may require additional documentation to complete the investigation of the claim, including but not limited to written verification of salary and wages, disability documentation or medical examination of a claimant.
 2. The claimant shall reasonably cooperate with the servicing insurer in the investigation of any claim, including furnishing medical records and submitting to an examination under oath.
 3. Failure of a claimant to comply with the request may be cause for denial of benefits under the Plan.
 4. A person who presents or causes to be presented an oral or written statement, including computer-generated information, as part of or in support of a claim for payment or another benefit knowing that the statement contains false information concerning a fact or thing material to the claim is ineligible for payment or benefits under the Plan .
- C. Survivor's loss benefits payable to a minor shall be paid to the minor's guardian appointed by a court of competent jurisdiction. A certified copy of guardian appointment may be required by a servicing insurer before payment.
- D. A servicing insurer shall either deny the claim as being ineligible for benefits under the Plan or make a prompt payment of loss or other lawful disposition of the claim in accordance with statute.

If the claim is denied, the claimant shall be notified promptly, in writing, of the denial and the reason(s) for the denial.

Sec. 5.4 NOTIFICATIONS

Notifications of the acceptance of an application, requests for additional documentation and /or denial shall be made in writing. These notices may be provided via fax or email if the injured party or their representative has agreed to receive electronic communications.

Sec. 6. SERVICING INSURERS

A. Designation

1. The Board shall designate insurers to act on behalf of the MAIPF for the servicing of claimants as necessary to do all of the following:
 - a. Assure convenient access to the MAIPF for all citizens of this state.
 - b. Assure a reasonable quality of service.
 - c. Assure reasonable claims handling.
2. Initial appointments shall be made by the Board from those insurers who volunteer. Additional appointments may be made by the Board as necessary to provide full service to all claimants.

B. Eligibility

To be eligible to serve as a servicing insurer pursuant to Section 6 subsection A.1 or 2, an insurer must

1. have and maintain an A.M. Best Company financial rating not less than A- for a continuous three-year period from the most recent publication date of insurer ratings. An insurer not rated by A.M. Best within the period necessary to comply with this eligibility requirement may demonstrate financial strength through alternative financial rating services at the discretion and satisfaction of the Board;
2. be licensed and have been writing automobile personal protection insurance for a minimum period of five years in the state of Michigan; and
3. have the necessary facilities to provide risks with the same level of service rendered to its voluntary market. If a servicing insurer does not have claim facilities in Michigan, it will be necessary to designate another insurance company, an independent claims adjusting firm or some other means, subject to the approval of the Board, for the purpose of statewide claims settlement and service.

C. Performance Standards

In addition to the performance standards for companies in Section 10, servicing insurers shall

1. not assign, transfer, or otherwise dispose of any rights under the Plan or the Servicing Insurer Agreement to any person; provided, however, that the servicing insurer may subcontract portions of its MAIPF services so long as it provides written notification thereof to the MAIPF, the MAIPF consents to the subcontract, and the servicing insurer agrees to remain primarily liable to the MAIPF for the performance of such subcontracted portions;
2. carry out all transactions on a timely basis;
3. carry out all necessary accounting procedures as outlined by the manuals;
4. generate the statistical and accounting information in report format required by the MAIPF. The content and format of these reports will be in accordance with the rules and specifications established by the Accounting and Statistical Requirements Manual; and

5. generate on a claim level and overall level information regarding the types and amount(s) of claim payments and expenses in order that the MAIPF may evaluate payment practices. The content and format of these reports will be in accordance with the rules and specifications established by the Accounting and Statistical Requirements Manual.

D. Allowances

Servicing insurers shall be compensated for MAIPF business on a reasonable basis, as determined by the Board, to fairly compensate for all operating costs as incurred, and the reasonable expense incurred in settling claims. A standing committee, including at least two members who are not representing servicing insurers, shall recommend the reimbursement method and monitor the results of the method adopted. Incentives may be utilized to secure and maintain efficient claims administration. The method of compensating servicing insurers shall be approved by the Board and the types of compensable expenses shall be stated in the Accounting and Statistical Requirements Manual.

The Board or its designee shall approve reimbursement to the Michigan Secretary of State for expenses pursuant to MCL 500.3171 (5)(e).

E. Terminations

1. Any servicing insurer voluntarily terminating its association as a contracting servicing insurer for the MAIPF shall be required to provide advance notice in writing to the Board of the MAIPF or its designee. Such notice shall be directed to the MAIPF at its office. The MAIPF shall confirm in writing to the sender the receipt of the notice of termination as a contracting servicing insurer.

The advance notice of termination shall provide notice of at least six months, or such earlier time as the parties shall mutually agree, when the terminating servicing insurer will cease accepting new assignments. The effective date shall be based on the date of receipt of the notice by the MAIPF.

In this notice the insurer will affirm its commitment to continue to provide service on all existing claims unless the parties shall have mutually agreed to other arrangements for the servicing of such claims.

2. In the event that it becomes necessary for the Board to terminate the association of a servicing insurer with the MAIPF such notice shall be given in writing by the chairman of the board to the chief executive of the servicing insurer. Such notice shall provide notice of at least six months, or such earlier time as the parties shall mutually agree, at which time the servicing insurer will no longer be authorized to accept new assignments from the MAIPF.

The notice to the terminated servicing insurer will further stipulate that the servicing insurer will be expected, in good faith and to the best of its ability, to continue to provide service on existing claims unless the parties shall have mutually agreed to other arrangements for the service of such policies.

3. Upon receipt of the notice of termination by a servicing insurer to the MAIPF or upon notice by the Board of the termination of association with a servicing insurer, the MAIPF will within 10 days notify all the servicing insurers of the action and solicit from them such information as is needed to make a determination of the remaining servicing insurers' capacity to serve the public. All servicing insurers are required to respond within 30 days from the date of the request. Upon receipt of the response from the remaining servicing insurers, the Board shall determine if the remaining insurers have adequate capacity to service the departing servicing insurer's claims in accordance with the performance standards for a servicing insurer.

Should the Board or its designee find that the remaining servicing insurers are unable to service the remaining claimants, the Board shall appoint an additional insurer or insurers it deems can best serve the claimants on behalf of the MAIPF.

4. In the event any servicing insurer experiences unanticipated or unusual operational difficulties that would impair its ability to continue to meet the established servicing

insurer performance standards, the Board or its designee, at its discretion, may suspend the assignment of new claims and/or implement the Contingency Procedures in Section 6.E.5.

5. Claims—Contingency Procedures

- a. Any insurer voluntarily withdrawing from business as a servicing insurer of the MAIPF shall service to a conclusion all claims (including pending and reopened claims) that it received prior to the effective date of the withdrawal if approved by the MAIPF. Such claims will continue to be subject to periodic reviews by an auditor designated by the MAIPF.
- b. Upon receipt of advance notice of termination or insolvency, or if the Board finds it necessary to terminate the association of a servicing insurer, the Board may request a special claim file review of a representative sample of open claim files. The review will enable the Board or its designee to determine the appropriate action for further handling of claim files, the level of work completed on the files and estimate future adjustment expense needed for completion of claim file work.

If the terminating insurer is meeting and will continue to meet industry claim handling standards, it shall continue to handle its claim files to a conclusion if approved by the MAIPF. If the terminating insurer has not met industry claim standards, is insolvent, or refuses or is unable to further handle the claims, the Board may consider the following options:

- (1) Allow the insurer to handle to a conclusion all outstanding claims assigned to the insurer prior to its withdrawal.
 - (2) Allow the insurer to retain only suit files where competent counsel is handling and the insurer is meeting industry and MAIPF standards. All other claims are to be reassigned by the MAIPF.
 - (3) Place settlement authority limitations on all claims until reassignment by the MAIPF. Final settlement authority, until reassignment, is to be vested in the MAIPF.
 - (4) Return of all claim files and notices to the MAIPF for reassignment. Reassignment of claims should be made to one insurer, if practical, or to as limited a number of insurers as possible. If more than one succeeding insurer is required, the distribution will be under the direction of the MAIPF.
- c. The succeeding insurer shall be reimbursed for servicing expenses on reassigned claims. The Board or its designee may consider payment of
 - (1) a flat servicing fee; or
 - (2) a flat fee per file; or
 - (3) actual expenses based on the succeeding insurer utilizing
 - (a) independent adjusters (with added increment for supervision); or
 - (b) its own staff; or
 - (4) such other arrangement as is fair and equitable to all parties.All previously incurred allocated adjustment expenses not paid by the withdrawing insurer are subject to reimbursement to the succeeding insurer by the MAIPF.
 - d. The Board or its designee shall consider negotiation of reimbursement to the MAIPF of any service fees previously paid the withdrawing insurer, based on added expenses to the MAIPF for services not completed. The amount negotiated should be based on the estimated incomplete claim work still to be performed on assigned claims.

- e. The records of all reassigned claims indemnity payments and expenses incurred must, among other required information, be kept statistically separated. It is the duty of the MAIPF to notify the statistical and any other interested agency of the withdrawals and reassignments.

F. Audits

- 1. The books of account, records, reports, and other documents of the MAIPF as they pertain to the administration and maintenance of the Plan and the claims shall be open and free for examination to the Director at all reasonable hours.

The books of account, records, reports, and other documents of the MAIPF as they pertain to the administration and maintenance of the Plan and the claims shall be open to inspection by insurers at such times and under such conditions and regulations as the Board shall determine.

The MAIPF shall provide for the making of detailed reports and for the rendering of accounts to each insurer at least every 12 months.

The books of account of the MAIPF shall be audited at least every 12 months by a firm of independent public accountants designated by the Board.

The books of account of servicing insurers relating to their administration of the MAIPF business shall be audited in the manner designated by the Board.

The servicing insurer financial controls and claim records for MAIPF assignments shall be reviewed annually by the insurer in accordance with the guidelines established by the Board.

- 2. The MAIPF may audit the records of any servicing insurer relating to the subject matter of the Plan and may establish what policies, records, books of account, documents, and related material it deems necessary to carry out its functions. Such material shall be provided by insurers in the form and with the frequency reasonably required by the MAIPF.

Sec. 7. PARTICIPATION RATIOS— ASSESSMENT—RECOUPMENT

- A. MAIPF claims and anticipated expenses for operation and administration of the Plan shall be assessed on insurers and self-insurers according to this Section.
- B. Losses, expenses, and gains shall be determined on the basis of insurance accounting principles as incorporated in the Annual Statement blank.
- C. For purposes of establishing a basis for allocation of expenses plus losses or minus gains, each company licensed to write automobile insurance in Michigan shall permit its statistical agencies to report the statistical information to the MAIPF.
- D. Each insurer will be liable for that proportion of the annual assessment that its total automobile written premiums for the prior calendar year bear to the total premiums that year. Each self-insurer will be liable for that portion of the annual assessment that its Michigan imputed premium for the prior calendar year bears to the total premiums that year. Average per-vehicle imputed premiums are calculated by dividing the total automobile written premium for the prior year by the total number of exposures for private passenger auto for the second prior year. The average per-vehicle imputed premium is then multiplied by the number of self-insured vehicles reported by the self-insurer.

“Automobile written premiums” means the automobile premiums, including policy membership fees, less return premium and premium on policies not taken, shown on the Exhibit of Premiums and Losses (Statutory Page 14 Data) of each insurer’s Annual Statement for Private Passenger Auto No-Fault, Other Private Passenger Auto Liability, Commercial Auto No-Fault, and Other Commercial Auto Liability. It shall exclude premiums for physical damage coverage and premiums for death and disability coverage written by the insurer. Such premium shall be gross direct premiums, without including reinsurance assumed and without deducting reinsurance ceded, but including premiums

for other than private passenger excess of loss policies, except in the case of an insurer which writes no basic limits automobile liability insurance.

“Total premiums” as used in this subsection means the statewide total of all automobile written premiums of all insurers and all imputed premium for all self-insurers.

- E. All of the data necessary to comply with the foregoing distribution procedures shall be reported to AIPSO by each insurer or by the statistical agencies designated by such companies and each company agrees to permit its statistical agent to release such data to AIPSO and agrees that its statistical agent shall be permitted to furnish AIPSO with statements of its experience.
- F. For insurers that do not report data necessary to comply with the foregoing distribution procedures, MAIPF shall issue an estimated assessment by increasing the premiums reported by the company on its annual statement to the NAIC by 25%. For self-insurers that do not report data necessary to comply with the foregoing distribution procedures, MAIPF shall issue an estimated assessment by increasing the number of vehicles reported by the company on its most recent Application for Self Insurance by 25%.
- G. The Board may periodically, but not less than annually, assess insurers for claim and operating expenses of the MAIPF arising from the assignment of claims under the Plan. Such assessment shall be filed with the Director and shall be allocated among insurers in accordance with this Section.
- H. Any assessments paid by insurers under this Section may be recouped in the insurance rates filed with the Director for automobile policies issued by the insurer and/or on behalf of the MAIPF.
- I. In the event an insurer discontinues writing automobile insurance in this state, it shall continue to pay assessments until its proportionate share established by its writings prior to discontinuance of business has been determined and paid; provided, however that if the automobile insurance in this state has been purchased by, transferred to, or reinsured by another company, the latter shall receive the assessments of the former until the proportionate share of the former as established by its writings prior to such transfer has been determined and paid, unless another company has agreed, in manner satisfactory to the Board, to assume such obligation.

No assessments shall be levied nor shall any be made to an insurer that has written no automobile insurance during the period for which the proportionate shares are based. Groups of companies under both the same ownership and management must be treated as a single company under these provisions. Groups of companies under either the same ownership or management, but not both, may elect to be treated either separately or as a single company.
- J. Negotiation of Settlement of Balances with Companies Under Supervision of the Department of Insurance & Financial Services or in Rehabilitation – AIPSO shall negotiate the best offer or settlement of balances due for MAIPF assessments and participation and shall protect the financial interest of the MAIPF. It is understood that all settlement offers are subject to the approval of the Board.
- K. Assessments levied under this Section shall be paid in full by insurers and self-insurers within such period of time as the Board may establish, after the assessment charge is billed by the MAIPF. Assessment payments shall be remitted by check or electronic transfer of funds.
- L. Any assessment amount under the Plan not paid by the due date shall bear interest at the rate of 20% per annum.

Sec. 8. AMENDMENT TO PLAN

Amendment of the Plan may be made by a majority vote of the Board subject to the approval of the Director.

Sec. 9. RIGHT OF APPEAL

- A. Any participating insurer or applicant for benefits under the Plan may request a formal hearing and ruling by the Board of the MAIPF for any of the following:

1. An alleged violation of the Plan.
 2. A participating insurer's application to service risks; or
 3. The termination of a servicing insurer.
- B. A request for hearing must be filed within 30 days after the date of the alleged act or decision. Such hearing shall be held within 30 days after the request is received by the MAIPF.
- C. A right to a hearing under subsection A. shall not apply to any claim assigned to or serviced by any participating insurer.
- D. Any formal ruling by the Board may be appealed to the Director by filing notice of appeal with the MAIPF and Director within 30 days after issuance of the ruling.
- E. The Director shall issue an order approving the action or decision, disapproving the action or decision, or directing the Board to reconsider the ruling.

Sec. 10. PERFORMANCE STANDARDS FOR SERVICING INSURERS

Servicing insurers must meet the following standards for servicing MAIPF claims under the Plan:

- A. **Acknowledgment**
The servicing insurer will act on all claim assignments within 5 business days or acknowledge the receipt of such a claim assignment.
- B. **Eligibility for Benefits**
Upon receipt of a fully completed application, including submission of necessary documentation and any other information necessary to determine eligibility, servicing insurers will review new claim assignments according to the Servicing Insurer Agreement. Claimants will be notified within 30 days of their eligibility for benefits under the Plan rules and Chapter 31 of the Michigan Insurance Code, the Plan of Operation and the Servicing Insurer Agreement. Claimants will be notified within 30 days regarding their claim status.

- C. **Compliance**
All servicing insurers shall comply with all rules and procedures as outlined in the MAIPF Servicing Insurer Guidelines and Servicing Insurer Agreement.
- D. **Claim Handling**
The servicing insurer is responsible for handling all claims properly and promptly. Claim adjustment practices and procedures of each servicing insurer shall correspond with those followed for its voluntary business. The servicing insurer must comply with any fair claim practices laws or regulations. Deviations from acceptable claims handling practices shall be corrected upon receipt of notification by a representative of the MAIPF.
- E. **Claims Records**
Assigned claim records maintained by a servicing insurer are to be available for inspection upon request by a representative of the MAIPF, both as to claim handling and claim/expense payment. A servicing insurer shall transmit records to the MAIPF in accordance with rules and procedures as outlined in the MAIPF Servicing Insurer Guidelines and Servicing Insurer Agreement.
- F. **Indemnity/Reimbursement Against Third Parties**
The servicing insurer shall preserve and enforce rights to indemnity or reimbursement against third parties and shall account to the MAIPF for any indemnity or reimbursement. The servicing insurer may enter into reasonable compromises and settlements with third parties against whom rights to indemnity or reimbursement exist, and shall account to the MAIPF for any compromises and settlements.
- An action to enforce rights to indemnity or reimbursement against a third party shall not be commenced after the later of 2 years after the assignment of the claim to the servicing insurer or 1 year after the date of the last payment to the claimant.
- G. **Judgments or Acknowledgements of Debt**
The MAIPF or any servicing insurer may enter into a written agreement with a debtor permitting the payment of a judgment or acknowledgment of debt in installments payable to the MAIPF. A default in payment of installments under a judgment as agreed will be reported to the Michigan Secretary of State and subjects the debtor to suspension or revocation of his or her motor vehicle license or registration in the same manner as for the failure by an uninsured motorist to pay a judgment by installments under MCL 500.3177.