



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

GARLIN GILCHRIST II
LT. GOVERNOR

November 1, 2021

R. Kevin Clinton
Executive Director
Michigan Catastrophic Claims Association
17584 N. Laurel Park Dr.
Livonia, MI 48152

Dear Mr. Clinton,

My office recently reviewed the Annual Report of the Michigan Catastrophic Claims Association (MCCA) to the Legislature issued in September 2021. The report stated that the MCCA had a surplus of \$2.4 billion at the end of 2020. In your annual statement issued on June 30, 2021, the surplus is now \$5 billion. I am calling on you today to refund money to Michiganders.

As we stay laser-focused on growing our economy and ushering in a new era of prosperity, we need to use every resource we have to help people thrive. These refunds will help us continue to put Michiganders first and drive down costs for working families.

The surplus reflects premium overcharges and is partly a reflection of the cost-saving measures implemented in the historic, bipartisan no-fault reform legislation I signed into law in 2019. Since then, many Michiganders have experienced financial hardships during the ongoing COVID-19 pandemic. Now is not the time for the MCCA to withhold money owed to Michiganders. I urge you to move swiftly to return the surplus funds to policyholders in the form of lump-sum checks.

Billions in surplus funds should not be held by insurers to invest for their own profit or be conditioned on the renewal of a policy. **The surplus belongs to Michigan policyholders and should promptly be returned directly to them in full, in the form of refund checks.**

Sincerely,

Gretchen Whitmer
Governor