

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Bulletin 2024-17-INS

In the matter of:

Health Insurance Plan Switching

**Issued and entered
this 28th day of June 2024
by Anita G. Fox
Director**

The Director of the Department of Insurance and Financial Services (DIFS) is aware of reports across the country of unauthorized switching of Health Insurance Marketplace plans, coverages, and agents of record. This bulletin reminds insurance agents of state and federal requirements regarding the selling and servicing of Health Insurance Marketplace health plans.

Changing an insured's plan, coverage, and/or the agent of record without consent is a violation of law subject to enforcement action. Michigan law prohibits agents from using fraudulent, coercive, or dishonest means to conduct business and from forging another's name to an application of insurance. See MCL 500.1239(1)(g) and (h). State law also prohibits fraudulent insurance acts including presenting false information on an application for insurance with an intent to injure, defraud, or deceive. See MCL 500.4503. Agents are further reminded that it is an unfair trade practice to make a false statement or representation on an application for insurance for the purpose of obtaining a fee or commission. See MCL 500.2018.

In addition, agents should ensure compliance with [Marketplace Advertising and Marketing](#) guidance issued by Centers for Medicare and Medicaid Services (CMS) when marketing, advertising, or servicing policies. Agents must document the insured's consent before making changes to the insured's plan, coverage, or agent of record. Agents are also prohibited from misrepresenting their role or relationship with an insurance company and from mispresenting or misleading consumers regarding a plan's coverages, rewards, or discounts. When using information obtained from lead generator companies, agents must confirm receipt of the consumer's consent before making changes to an insured's plan, coverage, or agent of record.

According to CMS guidance, simply checking a box in an online form is unlikely to provide sufficient evidence of consumer consent. Consent must be personally confirmed in the form of an in-person conversation, phone call, text message, or email and must be documented. Agents must also have insureds verify separately the accuracy of the information on their application before submitting it to the Marketplace.

Agents who have engaged in such activity may be referred to CMS in addition to any enforcement action by DIFS.

Consumers who believe that their insurance plan, coverage, or agent were changed without their consent are encouraged to file a complaint with DIFS at [Michigan.gov/DIFScomplaints](https://www.michigan.gov/DIFScomplaints) or 877-999-6442.

Michiganders with questions about their health insurance may contact DIFS Monday through Friday 8 a.m. to 5 p.m. at 877-999-6442.

Any questions regarding this bulletin should be directed to:

Department of Insurance and Financial Services
Office of Insurance Licensing, Investigations, and Audits
530 W. Allegan Street – 7th Floor
P.O. Box 30220
Lansing, Michigan 48909-7720
Toll Free: (877) 999-6442

/s/

Anita G. Fox
Director