

Self-Insured Pools and Statutorily Created Insurance Associations

Dykema insurance lawyers regularly represent the interests of intergovernmental self-insured pools and statutorily created nonprofit insurance associations, including entities that service state school districts and the residual market for automotive and workers' disability compensation insurance, and that facilitate payments for No-Fault personal protection benefits to persons catastrophically injured in automobile accidents. We help these nonprofit associations interpret and implement their operating agreements or enabling legislation and to operate consistent with industry or statutory mandates. As with the guaranty fund work, our representation of intergovernmental pools and statutory associations often requires us to litigate important issues of contract and statutory interpretation through multiple levels of appeal.

Experience Matters

- Represented a general liability self-insured pool of Illinois public school districts in a declaratory judgment action involving \$11.5 million in mold remediation expenses for a suburban high school. The trial judge found in favor of our client on the mold remediation expenses and the Illinois appellate court affirmed.
- Represented a general liability and workers compensation self-insured pool of Illinois public school boards in a breach of contract case against its excess insurer, which counterclaimed, alleging our client-pool had refused to settle in bad faith. The jury rejected the excess carrier's bad faith refusal to settle defense, and returned a verdict for the full amount of our client's excess loss and attorney's fees for an underlying workers' compensation case. The Illinois appellate court affirmed.
- Represented the Illinois Automobile Insurance Plan, the assigned risk pool for commercial automobile insurance, in regulatory hearings before the Illinois Department of Insurance.
- Successfully represented the Michigan Catastrophic Claims Association (MCCA), which essentially serves as a statutorily created re-insurer of automotive insurance companies funded by Michigan drivers, in the Michigan Court of Appeals, where the court determined that the MCCA was not required to reimburse an insurer for automotive insurance benefits it paid to its insured where the vehicle operated by the insured was not required to be registered in Michigan.
- Serve as general counsel to the MCCA.
- Developed reporting requirements, claim handling standards and a premium audit program for the MCCA.
- Provided regulatory advice to the Michigan Auto Insurance Placement Facility and the Michigan Workers Compensation Placement Facility.