



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
LANSING

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DIRECTOR

FY 2025 Executive Recommendation Budget Adjustments

Department Overview:

The Michigan Department of Insurance and Financial Services (DIFS) regulates Michigan's insurance and financial services industries.

DIFS' mission is to ensure access to safe and secure insurance and financial services fundamental for the opportunity, security, and success of Michigan residents, while fostering economic growth and sustainability in both industries. In addition, the Department focuses on consumer protection, outreach, and financial empowerment and education services to Michigan residents.

DIFS is fee-funded and does not require public tax dollars to operate.

DIFS' FY25 Investments:

- **Increased Regulatory Capacity:** \$1.3 million in state restricted funds is requested to increase regulatory capacity by adding 7 positions within the department's insurance evaluation, and consumer services and protection programs. New positions would include 4 additional insurance licensing staff members, 1 Enforcement Attorney, 1 insurance market regulation analyst, and 1 communications representative.
- **Pharmacy Benefit Manager Licensure and Regulation Program:** \$660,000 in state restricted funds is requested to fund the costs associated with licensing and regulating pharmacy benefit managers. This increase in funding will support the requirements enacted in Public Act 11 of 2022, which took effect January 1, 2024.
- **Insurance Complaint and Health Care Appeals Outreach Campaign:** A one-time investment of \$250,000 in state restricted funds is requested to conduct an outreach campaign to raise awareness of Michiganders' right to file insurance complaints and appeal health insurance denials. The campaign would include paid advertising and earned media outreach in every region of the state, targeted outreach to medical providers and other key stakeholders.
- **Employee payroll adjustments and other administrative costs:** \$1.4 million in state restricted funds is requested to fund payroll adjustments, including those established by Michigan Civil Service Commission, and other administrative costs.