



Michigan's Auto Insurance Reform

You Have A Choice. What Coverage is Best for You?

What you need to consider before you choose the Personal Injury Protection (PIP) limit right for you.

Does your **health insurance** provide primary coverage for auto accidents? If so, keep in mind PIP benefits are much broader. The following may **NOT** be covered by your health insurance.

- Modification to your home
 - * Widening doors
 - * Installing ramps
 - * Purchasing/Installing aids—shower rails, raised toilets, etc.
 - * Modified entry to shower
- Modification to your vehicle
 - * Lift for wheelchair
 - * Modified steering wheel, gas pedal, brake, etc.
- Attendant Care
- Long Term Care
- Most Health Insurances have maximum policy payout

What happens if you **lose your qualified healthcare** due to loss of job, change of employment or employer changes healthcare plan and it no longer covers auto related injuries?

- You have 30 days to make a change to your auto policy if your health insurance coverage is terminated or changes. After 30 days you no longer have PIP coverage at all.

What is **NOT** limited by your PIP selection (benefits are in addition to the limit you select)?

- 3 Year Work (wage) Loss
- Replacement Services
- Survivor's Benefits

All other components of PIP are limited to the amount you choose – medical services, widening doors, installing ramps, attendant care, long term care, etc.

The **Medical Fee Schedule** for auto accidents does not go into effect until July 2021. Therefore, the cost of medical care is still not “capped” for things such as a MRI, CAT scan etc. Given the fluctuation in these expenses, the limit you select may not go as far as you thought.

What are your auto liability limits? Changes were made in the ability for you to be sued.

Before:

- A person injured in an auto accident could sue for non-economic (pain & suffering) and economic damages (excess PIP benefits) from a negligent/at fault driver
- Injured Person must have suffered serious impairment of a bodily function (such as loss of limb, scarring, etc.)

Now:

- Anyone who selects less than unlimited PIP or opts out of PIP for current and future allowable expenses in excess of the limit they selected
- Anyone exceeding the 3 Year Work Loss PIP benefit
- Michigan Assigned Claims Plan to recover benefits paid and their expenses
- Motorcyclists if their injuries are greater than your limited PIP selection
- It is important to consider higher liability limits/umbrella policy

