

Michigan Auto No Fault Reform Unintended Consequences

Legislative Fix Needed ASAP
to Save Care, Lives & Jobs

Former Detroit Red Wings player Vladimir Konstantinov is the public face of the crisis facing 18,000 Michigan survivors who suffered serious traffic-related injuries and have lost their unlimited lifetime care he paid for in his insurance premium.



Home care providers have been forced to discharge crash survivors and not accept new auto crash patients due to the reform law that cut care benefits. (Detroit News, 11/22)

When the Michigan Legislature approved Michigan's 2019 Auto Insurance Reform Law, it created unintended consequences for auto crash survivors catastrophically injured before and after reimbursement reform. The 2019 reform has left a heavy burden for the most vulnerable, catastrophic auto crash survivors, and the home care providers and families they depend on for necessary care.

Fixing Michigan's Auto No-Fault Must Be Top Priority for the Michigan Legislature

The Michigan Legislature must make it a priority to fix the law to set reasonable reimbursement for home care services. The fix is simple and not expensive. It must be done NOW!

The Michigan HomeCare & Hospice Association urges the Michigan Legislature to restore a reasonable home care reimbursement rate for catastrophically auto injured survivors who sustained those injuries both before and after Michigan's 2019 Auto Insurance Reform Law.

45 % Cut on Home Care

Home care providers have been forced to discharge crash survivors and not accept new auto patients due to the reform law that cut care benefits by 45 percent while in the middle of a labor crisis and high inflation. The home care industry helps patients to recover in their own home and is the lowest-cost alternative to expensive hospitalization and institutional care.

Addressing the 45% cut on post-acute care will immediately save vital care to thousands of catastrophically injured, save hundreds of good companies, save thousands of health care jobs, save lives.

The same unfairness exists for survivors injured after the 2019 reform due to the Legislature imposing unreasonable price controls.

- There are still people, **approximately three per day**, seriously injured in catastrophic auto accidents who have paid full personal protection coverage (PIP) into the Michigan Catastrophic Claims Association (MCCA) their entire driving lives and will not receive care as part of the appellate court decision.
- Approximately 70% of Michigan drivers choose to pay for full coverage.
- If one of these drivers is involved in a catastrophic auto accident, the coverage they paid for will not provide them the necessary care they paid for with their auto insurance because Michigan legislators imposed government price controls which lowered home care reimbursement below the cost of hiring workers.