

A RESOLUTION TO SUPPORT STATE ACTION TO AMEND  
THE MICHIGAN NO FAULT AUTO INSURANCE REFORM ACT OF 2019  
TO PRESERVE ADEQUATE FUNDING FOR THE  
PROTECTION OF CATASTROPHICALLY INJURED VICTIMS

GENESEE COUNTY BOARD OF COUNTY COMMISSIONERS

MAY 4, 2022

TO THE HONORABLE CHAIRPERSON AND MEMBERS OF THE GENESEE COUNTY BOARD OF  
COMMISSIONERS, GENESEE COUNTY, MICHIGAN

LADIES AND GENTLEMEN:

WHEREAS, the Michigan No-Fault Auto Insurance Reform Act of 2019 introduced fee schedule changes effective July 1, 2021, that set percentage limit restrictions (fee caps) on how much can be paid or reimbursed to residential care facilities, home health care providers, and other persons for providing treatment or care to auto accident victims; and

WHEREAS, reimbursement rates for post-acute rehabilitation care, in-home health care, transportation, and other services that do not have Medicare billing codes, were capped at 55% of a providers average charges for those same services on January 1, 2019; and

WHEREAS, these fee caps affect the auto accident victims who are receiving long-term care and rehabilitation paid for by the Michigan Catastrophic Claims Association (MCCA) through the per-vehicle annual fee that all Michigan drivers were once assessed; and

WHEREAS, as a result of the fee caps, home health care providers are being reimbursed at such reduced rates that dozens of health care and rehabilitation providers have gone out of business and left thousands of skilled health care workers without jobs and tens of thousands of injured survivors without any place to go except to already strained hospitals or to their homes to suffer without necessary care; and

WHEREAS, even though lifetime medical benefits are still guaranteed under the Michigan No-Fault Auto Insurance Reform Act of 2019 for those injured prior to 2019 and for those who purchase Unlimited Personal Injury Protection (PIP) policies, these benefits are meaningless if, due to the fee caps, providers are unable to cover basic labor costs or to financially afford to provide the benefits; and

WHEREAS, without legislative action, more than 18,000 Michigan residents with spinal cord injuries, severe brain injuries, and other catastrophic injuries, including residents in Genesee County, despite having purchased insurance policies to protect them and their families, will struggle to or fail to obtain all necessary care needed for basic survival; and

WHEREAS, during the current legislative session, several House and Senate bills have been introduced that offer long-term, budget-neutral solutions enabling the continued care of auto crash survivors without changing other aspects of the insurance law, including consumer cost protections, but none of those bills have received a hearing despite previous assurances that the law would be fixed; and

WHEREAS, without legislative action, many Genesee County residents, who should benefit from services including care, recovery, and rehabilitation from catastrophic injuries will not have access to those services.

NOW, THEREFORE, BE IT RESOLVED, that the Genesee County Board of County Commissioners urges the Michigan Legislature to amend the Michigan No-Fault Auto Insurance Reform Act of 2019 to correct deficiencies in the fee cap for residential care facilities, home health providers, and others who provide medically necessary care to auto accident victims and hereby urges the Michigan Legislature to act to uphold these benefits that have been paid for by the survivors who currently are receiving and those who will need purchasing an Unlimited PIP Auto Insurance policy, paid by the MCAA.

BE IT FURTHER RESOLVED, that the Director of Administration is directed to forward copies of this resolution to all members of the Michigan legislature representing Genesee County.