

Letter: No-fault auto insurance reforms are hurting crash victims

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As the new Legislature prepares for the 2023 session, the Michigan HomeCare & Hospice Association is urging them to put fixing Michigan's 2019 auto insurance reform law at the top of the legislative agenda. Amending the law to set reasonable reimbursement for home care services will save lives and jobs as Michigan's care crisis continues to grow for catastrophic auto crash survivors injured before and after the 2019 reform law.

The two gubernatorial debates included questions about the unintended consequences of Michigan's no-fault reform law, which shows that fixing the reform law is a top statewide concern and we urge that incoming legislative leaders make amending the reform law a top priority for crash survivors injured before and after 2019. The fix is simple. We cannot wait on the courts to solve the unintended consequences from Michigan's auto insurance reform. It's time for the Michigan Legislature to make a difference for our most vulnerable citizens.



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, Cargill writes.

In its Aug. 25 decision, the Court of Appeals ruled the Legislature did not demonstrate intent for the changes to apply retroactively to crash survivors injured prior to the changes that cut home care reimbursement rates by 45%. The auto insurance lobby has appealed the court ruling to the Michigan Supreme Court with the narrative that the ruling will raise auto insurance premiums.

Home care providers have been forced to discharge crash survivors and not accept new auto injury patients due to the reform law that cut care benefits by 45% 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.

The reimbursement rates must be restored for catastrophically auto injured survivors before and after the reform law. The same unfairness exists for survivors injured after the 2019 reform due to the Legislature imposing government price controls. Legislators should act now to fix no-fault auto insurance law for all catastrophically auto injured patients.

There are still people who are seriously injured in catastrophic auto accidents who chose to purchase full personal injury protection coverage through the Michigan Catastrophic Claims Association and will not receive care, regardless of what happens when the Supreme Court responds to the appellate court decision.

Today, if one of these drivers is involved in a catastrophic auto accident, the coverage they paid for will not provide them the prescribed, medically necessary care they paid for, all because Michigan legislators imposed government price controls which lowered home care reimbursement below the cost of hiring care workers, an action that has devastated the robust competitive home care industry in our state.

Barry S. Cargill, president and CEO, Michigan HomeCare & Hospice Association