



**County of Marquette  
BOARD OF COMMISSIONERS**

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**RESOLUTION**

**Urging State Legislature to Amend the Michigan No-Fault Auto Insurance Reform Act to  
Address a Reimbursement Cap for Auto Accident Victims**

**WHEREAS** the Michigan No-Fault Auto Insurance Reform Act of 2019 introduced a fee schedule, which took effect on July 1, 2021, that set percentage limits on how much doctors, hospitals, clinics, institutions, and persons can be paid or reimbursed for providing treatment or care to auto accident victims; and

**WHEREAS** the reimbursement rates under the Michigan No-Fault medical fee schedule limit the amount payable to a health provider for treatment or services reimbursable by Medicare, limit the reimbursement rate for care providers whose treatment or services are not covered by Medicare, and limit No-Fault coverage for in-home family provided care; and

**WHEREAS** rates for services not provided by Medicare were reduced by 45% from what providers received in January 2019; and

**WHEREAS** the new law applies retroactively the changes made to a fee schedule, which is fundamentally unfair to individuals who purchased coverages and were injured in motor vehicle accidents before the No-Fault Act was amended in 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** the MCCA's 2021 Annual Statement show its assets are over \$27 billion and its total liabilities are slightly over \$22 billion; and

**WHEREAS** after the updated medical fee schedules have gone into effect, auto accident victims are struggling now to access even minimal care; and

**WHEREAS** some patients who are not able to find long-term catastrophic care services could be forced to leave their own homes; and

**WHEREAS** the new law is also causing a lot of payment delays, payment denials and unnecessary hurdles which patients did not have to go through prior to July 1, 2021; and

**WHEREAS** even though lifetime medical benefits are still guaranteed under the new law, they are meaningless if patients have very limited or no access to them; and

**WHEREAS** there are many Marquette County residents, and their families, who are currently benefiting, or would in the future, from services pertaining to their care, recovery and rehabilitation from catastrophic injuries but are already directly affected if the current law is not changed; and

**WHEREAS** significant numbers of Marquette County medical and rehabilitation businesses that service accident victims who are covered under this law suffer income loss and could be forced to lay off employees, or even close entirely, if this reform is not changed; and

**WHEREAS** already more than 18,000 individuals with spinal cord injuries, brain injuries and other catastrophic injuries in Michigan have to find another way to receive care and support because of this major change to the State's No-Fault auto insurance law; and

**WHEREAS** according to the Michigan Brain Injury Provider Council (MBIPC), more than 750 patients have already lost access to medical care since the changes took effect in July; and

**WHEREAS** at least 41 Michigan-based care companies have had to either close their doors completely or discharge patients receiving benefits via No-Fault auto insurance; and

• **WHEREAS** these actions have already put at least 1,500 healthcare workers out of a job; and

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**WHEREAS** this is a humanitarian crisis born from a government-mandated price fix, and only the legislature can undo it; and

**WHEREAS** there is bipartisan support to address the reimbursement issues, but the House and Senate leadership have so far taken what appears to be a "wait and see" approach to July 1, 2021, fee schedule change.

**NOW THEREFORE BE IT RESOLVED** that the Marquette County Board of Commissioners hereby urges the Michigan Legislature to amend the Michigan No-Fault Auto Insurance Reform Act to address a sustainable reimbursement cap for services provided to auto accident victims and preserve the benefits to survivors who receive long-term care paid by the Michigan Catastrophic Claims Association.

