



**November 10, 2021**

**MISCELLANEOUS RESOLUTION #21-443**

Sponsored By: Charles Cavell, Eileen Kowall, Robert Hoffman, Janet Jackson, Gwen Markham, Gary McGillivray, Yolanda Smith Charles

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

Chairperson and Members of the Board:

**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 coverage 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 shows 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 Oakland County residents, and their families, who are currently benefitting, 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 Oakland County medical and rehabilitation businesses that serve 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

**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 the July 1, 2021, fee schedule change.

**NOW THEREFORE BE IT RESOLVED** that the Oakland 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

**BE IT FURTHER RESOLVED** that the Oakland County Clerk/Register of Deeds is requested to forward copies of the adopted resolution to the Governor of the State of Michigan, the State Senate Majority and Minority leaders, the State House Speaker and Minority Leader, and the members of the Oakland County delegation to the Michigan Legislature.

Chairperson, the following Commissioners are sponsoring the foregoing Resolution: **Charles Cavell, Eileen Kowall, Robert Hoffman, Janet Jackson, Gwen Markham, Gary McGillivray, Yolanda Smith Charles.**



David Woodward, Commissioner

Date: November 16, 2021



Lisa Brown, County Clerk / Register of Deeds

Date: November 16, 2021

COMMITTEE TRACKING

2021-10-28 Full Board - Introduced and Referred to LAGO

2021-11-02 Legislative Affairs & Government Operations - recommend to Board

2021-11-10 Full Board

VOTE TRACKING

Motioned by Commissioner Christine Long seconded by Commissioner Kristen Nelson to adopt the attached Resolution: Urging State Legislature to Amend the Michigan No-Fault Auto Insurance Reform Act to Address a Reimbursement Cap for Auto Accident Victims.

**Yes:** David Woodward, Michael Gingell, Michael Spisz, Karen Joliat, Kristen Nelson, Eileen Kowall, Christine Long, Philip Weipert, Gwen Markham, Angela Powell, Chuck Moss, Marcia Gershenson, Yolanda Smith Charles, Charles Cavell, Penny Luebs, Janet Jackson, Robert Hoffman, Adam Kochenderfer (18)

**No:** None (0)

**Abstain:** None (0)

**Absent:** (0)

**The Motion Passed.**

ATTACHMENTS

None

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STATE OF MICHIGAN)  
COUNTY OF OAKLAND)

I, Lisa Brown, Clerk of the County of Oakland, do hereby certify that the foregoing resolution is a true and accurate copy of a resolution adopted by the Oakland County Board of Commissioners on November 10, 2021, with the original record thereof now remaining in my office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of the Circuit Court at Pontiac, Michigan on Wednesday, November 10, 2021.



*Lisa Brown, Oakland County Clerk / Register of Deeds*