

OGEMAW COUNTY BOARD OF COMMISSIONERS

**RESOLUTION TO ENCOURAGE DIALOG REGARDING
REIMBURSEMENT CAP FOR AUTO ACCIDENT VICTIMS**

**RESOLUTION NUMBER 22-17
ADOPTED FEBRUARY 10, 2022**

WHEREAS the Michigan No-Fault Auto Insurance Reform Act of 2019 introduced a fee schedule/cap, which took effect on July 1, 2021, to set payment limits on residential care facilities, home health care providers, and other persons for providing treatment or care to auto accident victims; and

WHEREAS the Michigan Auto Insurance Fee Schedule establishes maximum reimbursement rates for residential care facilities, home health care providers and other persons who lawfully render treatment; and

WHEREAS Michigan Auto Insurance companies now pay service providers 45% of what they received in January 2019; and

WHEREAS home health care providers are now reimbursed between \$14 per hour and \$18 per hour, an amount that falls below the entry-level rate for positions in many other industries; and

WHEREAS the Michigan No-Fault Auto Insurance Reform Act and its fee schedule cap applies retroactively to individuals who purchased coverage before the No-Fault Act was amended in 2019; and

WHEREAS these fee caps affect auto accident victims who receive long-term care and rehabilitation paid by the Michigan Catastrophic Claims Association (MCCA) through annual fees paid by all Michigan drivers; and

WHEREAS the MCCA's 2021 Annual Statement revealed assets of more than \$27 billion and total liabilities of more than \$22 billion; and

WHEREAS some patients unable to find long-term catastrophic care services have been forced to leave their own homes; and

WHEREAS even though lifetime medical benefits are still guaranteed under the 2019 Michigan Auto Insurance Reform Act, for those injured prior to 2019 and for those who purchase unlimited personal injury protection (PIP) policies, these benefits are meaningless if patients have very limited or no access services since providers are unable to cover basic labor costs; and

WHEREAS many Ogemaw County residents and their families benefit, or would benefit in the future, from services pertaining to their care, recovery and rehabilitation from catastrophic injuries; and

WHEREAS without action more than 18,000 individuals with spinal cord injuries, brain injuries and other catastrophic injuries in Michigan will have to find another way to receive care and support because of this major change to the State's No-Fault auto insurance; and

WHEREAS only the State Legislature can amend the Michigan No-Fault Auto Insurance Reform Act to address maximum reimbursement rates for residential care facilities, home health care providers and other persons who lawfully render treatment.

THEREFORE, BE IT RESOLVED that the Ogemaw County Board of Commissioners hereby encourages dialog between the Michigan Legislature, medical service providers, and benefit recipients to amend the Michigan No-Fault Auto Insurance Reform Act to address a sustainable reimbursement cap for residential care facilities, home health care providers, and other persons for providing treatment or care to auto accident victims.

BE IT FURTHER RESOLVED that a copy of this Resolution be sent to Representative Daire Rendon, Senator Curt VanderWall, Michigan Association of Counties and to the Clerk of each County in the State of Michigan.