

MICHIGAN NO-FAULT LAW

PIP CHOICE OPTIONS

OPTION 1: UNLIMITED COVERAGE

This option provides the most coverage. It will pay for all allowable expenses for your care, recovery, and rehabilitation if you are injured in an auto accident.

RISKS

- The premiums for this option are higher than premiums for other options.

BENEFITS

- PIP medical will cover costs that may not be covered by health insurance, such as rehabilitation and attendant care.
- This choice will significantly limit the risk that you will have out-of-pocket costs for your care.

OPTION 2: LIMITED COVERAGE OF \$500,000 OR OPTION 3: LIMITED COVERAGE OF \$250,000

If you choose one of these limits, this amount is the most your auto insurance company will pay per person per accident for an injured person's expenses under PIP medical coverage.

RISKS

- Limited PIP medical coverages may not be enough to cover your medical expenses. If your PIP medical limit is reached, you may need to rely on other health coverage, which may not cover all medical, rehabilitation or attendant care costs. If you do not have other health coverage, you may be personally responsible for paying these expenses.

NOTE: Your insurance company must offer excess attendant care coverage, which you may purchase for an additional premium. Check with your agent or company for additional information.

BENEFITS

- Lower coverage limits have less expensive premiums than plans with higher or unlimited PIP medical coverage.
- Up to the limit chosen, PIP medical will cover the cost of products and services that may not be covered by health insurance, such as rehabilitation and attendant care.

OPTION 4: LIMITED COVERAGE OF \$250,000*

***With some or all persons excluded from PIP medical.**

This option is only available if you choose the \$250,000 PIP medical limit.

- A named insured who wishes to exclude PIP medical must have qualified health coverage that is not Medicare.
- Any resident relative or spouse who wishes to exclude PIP medical must have qualified health coverage.

Anyone who is excluded will have no PIP medical coverage. Anyone who is not excluded will have \$250,000 in PIP medical coverage.

RISKS

- **ANYONE YOU EXCLUDE WILL NOT HAVE PIP MEDICAL COVERAGE.**

In addition:

- Persons relying on qualified health coverage to pay for auto accident injuries should be aware that, unlike auto insurance, health insurance stops paying when the policy ends or is canceled.
- If any excluded person loses qualified health coverage, you must notify your insurer within 30 days of loss of coverage.
- Within 30 days of losing qualified health coverage, if an excluded person is injured in an auto accident, coverage will be provided by the Michigan Assigned Claims Plan up to \$2,000,000 if they have no other qualified health coverage or PIP medical coverage.
- A person who has not obtained qualified health coverage or PIP medical coverage within 30 days of the loss of coverage will not be entitled to any PIP medical benefits.

NOTE: Your insurance company must offer excess attendant care, which you may purchase for an additional premium. This coverage is only available to those who are not excluded from PIP medical coverage. Check with your agent or company for additional information.

BENEFITS

- You will pay a reduced premium because you will not be charged a premium for PIP medical coverage for anyone who is excluded.

OPTION 5: LIMITED COVERAGE OF \$50,000

If you choose this limit, \$50,000 is the most your auto insurance company will pay per person per accident for an injured person's expenses under PIP medical coverage. You may select this option if:

- The applicant or named insured is enrolled in Medicaid; AND
- Any spouse and all resident relatives have one of the following:
 - a) Qualified health coverage;
 - b) Medicaid enrollment, or
 - c) Coverage under another auto policy with PIP medical coverage.

RISKS

- Limited PIP medical coverages may not be enough to cover the cost of your medical care. If your PIP medical limit is reached, you may need to rely on other health coverage, which may not cover all medical, rehabilitation, or attendant care costs. If you do not have other health coverage, you may be personally responsible for paying these expenses.

NOTE: Your insurance company must offer excess attendant care coverage, which you may purchase for an additional premium. Check with your agent or company for additional information.

BENEFITS

- Lower coverage limits have less expensive premiums than plans with higher or unlimited PIP medical coverage.
- Up to the limit chosen, PIP medical will cover the cost of products and services that may not be covered by health insurance, such as rehabilitation and attendant care.

OPTION 6: NO PIP MEDICAL COVERAGE FOR ANYONE

You may select this option if:

- The applicant or named insured has coverage under both Medicare Parts A and B, AND
- Any spouse and all resident relatives covered by the policy have qualified health coverage, or are covered under another auto policy with PIP medical coverage.

RISKS

- **NO PIP MEDICAL COVERAGE WILL BE PROVIDED UNDER YOUR POLICY.**
- You and any other persons covered by this policy will not have PIP medical coverage. You and those persons may have to rely on other health coverage to pay for medical expenses resulting from an auto accident, which may not cover all products and services that PIP medical provides.

- Persons relying on qualified health coverage to pay for auto accident injuries should be aware that, unlike auto insurance, health insurance stops paying when the policy ends or is canceled.

- If anyone covered by the policy loses qualified health coverage, you must notify your insurer within 30 days of loss of the coverage.

- Within the 30 days of losing qualified health coverage, if anyone covered by the policy is injured in an auto accident, coverage will be provided by the Michigan Assigned Claims Plan up to \$2,000,000 if they have no other qualified health coverage or PIP medical coverage.

- A person who has not obtained qualified health coverage or PIP medical coverage within 30 days of the loss of coverage will not be entitled to any PIP medical benefits.

BENEFITS

- You will pay a reduced premium because your policy will not be charged a premium for PIP medical coverage.

DEFINITIONS

Applicant means a person who has submitted an application for insurance but is not yet insured under a policy.

Attendant Care means services to assist an injured person with tasks they would normally do for themselves (e.g., eating, bathing, dressing, grooming, and medication administration). It may also involve supervision or other types of support.

Excess attendant care means additional coverage purchased for attendant care above the PIP medical coverage limit selected for your policy.

Michigan Assigned Claims Plan is a program that may pay benefits to people injured in an accident involving the individual when there is no applicable auto insurance policy.

Named Insured means the individual(s) named in an insurance policy.

Personal Injury Protection (PIP) Medical is coverage under an auto insurance policy issued in Michigan that pays allowable expenses for medical care, recovery, rehabilitation, and some funeral expenses.

Qualified Health Coverage means either of the following:

- Health and accident coverage that does not exclude or limit coverage for injuries related to auto accidents and has an annual individual deductible of \$6,000 or less; OR
- Coverage under both Medicare Parts A and B. Medicaid and health care sharing ministries are examples of coverages that are NOT considered **qualified health coverage**.

Personal Injury Protection (PIP) Medical is coverage under an auto insurance policy issued in Michigan that pays allowable expenses for medical care, recovery, rehabilitation, and some funeral expenses.