

MICHIGAN NO-FAULT LAW BASICS

FIRST PARTY CLAIM

WHAT IS COVERED:



Work Loss
(85% up to 3 years)



Allowable Expenses
(up to coverage cap)



Replacement Services

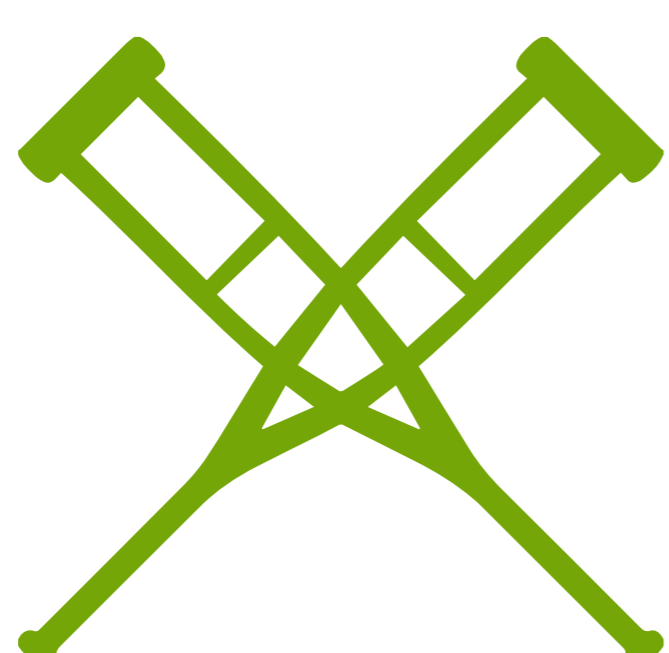


Survivor's Loss Benefit

TIME LIMIT:

Application for No-Fault benefits must be filed within one year of the accident.

INJURY THRESHOLD:



Regardless of the nature and extent of the injury, benefits are compensable if they are "reasonable charges incurred for reasonably necessary products, services and accommodations for an injured person's care, recovery or rehabilitation."

THE FOUR SPECIFIC NO-FAULT BENEFITS

1. WORK LOSS

Work loss benefits are payable for up to three years to cover "loss of income from work an injured person would have performed...if he or she had not been injured." These benefits are payable at a rate of 85% of gross pay.

Overtime is included in the calculation of this benefit.

2. ALLOWABLE EXPENSES

- Accident related medical expenses
- In-home patient care
- Attendant care
- Transportation
- Mileage reimbursement to/from medical appointments
- Home accommodations
- Physical therapy
- Guardian/conservatorship expenses

3. REPLACEMENT SERVICES

This benefit covers reimbursement for expenses incurred by an injured person to obtain reasonably necessary services that the injured person would have performed themselves had they not been injured.

4. SURVIVORS LOSS BENEFITS

In the event of a death caused by a motor vehicle accident, the No-Fault law requires payment of survivor's loss benefits to the dependents of the person who died.

WHO PAYS NO-FAULT BENEFITS?

The No-Fault law outlines an order of priority that determines which insurance company is responsible for the payment of No-Fault benefits.

DRIVER OR PASSENGER ORDER OF PRIORITY



- 1st Priority** Your own insurance policy, if none then...
- ↓
- 2nd Priority** The insurance company of a spouse or resident relative (e.g. parent or sibling), if none then...
- ↓
- 3rd Priority** The Assigned Claims Plan.

PEDESTRIAN ORDER OF PRIORITY

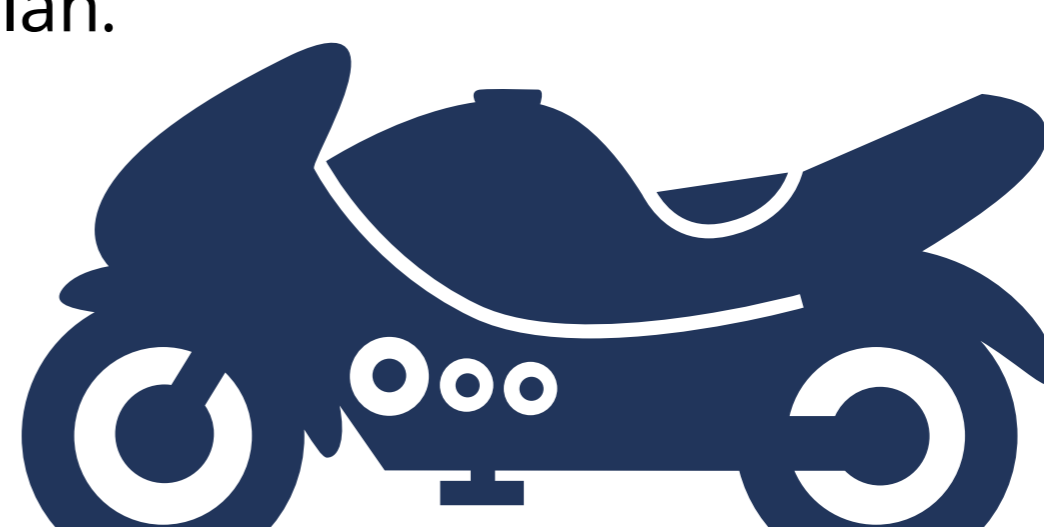


- 1st Priority** Your own insurance policy, if none then...
- ↓
- 2nd Priority** The insurance company of a spouse or resident relative (e.g. parent or sibling), if none then...
- ↓
- 3rd Priority** The Assigned Claims Plan.

MOTORCYCLE ORDER OF PRIORITY

- 1st Priority** → **2nd Priority** → **3rd Priority**
- The insurer of the owner of the motor vehicle involved in the accident, if none or if the owner of the motor vehicle opted out of the PIP medical coverage then...
- The insurer of the operator of the motor vehicle involved in the accident, if none or if the operator of the motor vehicle opted out of the PIP medical coverage then...
- The motor vehicle insurer of the operator of the motorcycle involved in the accident, if none or if the operator of the motorcycle opted out of the PIP medical coverage then...

- ↓
- 4th Priority** → **5th Priority**
- The motor vehicle insurer of the owner of the motorcycle involved in the accident, if none then...
- The Assigned Claims Plan.



THE SIX PIP MEDICAL COVERAGE CHOICES

Unlimited Coverage

Limited Coverage of \$500,000

Limited Coverage of \$250,000

Limited Coverage of \$250,000
With some or all persons excluded from PIP coverage

Limited Coverage of \$50,000

No PIP Medical Coverage

THIRD PARTY CLAIM

ALSO CALLED:

"Pain and Suffering Claim"
"Non-Economic Damages"
"Tort Liability Claim"
"Excess Economic Loss"

WHAT IS COVERED

Monetary compensation for pain and suffering and some financial losses that are not covered by No-Fault benefits.

TIME LIMIT

Third Party claims must be filed within three years from the date of the accident. Claims for Uninsured or Underinsured Motorist Benefits are governed by the terms of the insurance policy and may have shorter time limits.

INJURY THRESHOLD

The injured person must suffer "death, serious impairment of a body function, or permanent serious-disfigurement."