**Michigan’s New Auto No-Fault Insurance Law**

**Key Messages**

When the state’s new Auto No-Fault insurance law takes effect July 1, Michigan drivers for the first time will choose how much medical coverage – called Personal Injury Protection (PIP) – comes with their auto insurance policies. Under the old law, all auto insurance policies came with full, lifetime medical and rehabilitation coverage. Under the new law, choosing less than full coverage will save some motorists money on their insurance premiums. But motorists who are injured in a car crash could face a future – even a lifetime – of medical and rehabilitation expenses no longer covered by their auto insurance. To drive protected, the safest option is to choose full coverage.

**For the first time, Michigan drivers will choose how much medical and rehabilitation coverage comes with their auto insurance policies.**

* Starting July 1, Michigan motorists will no longer automatically have lifetime medical and rehabilitation coverage – Personal Injury Protection (PIP) – in their auto insurance policies.
* Under the new law, drivers will be able to purchase the following amounts of PIP coverage:
  + Opt-out ($0) – only available to drivers with Medicare
  + $50,000 – available to drivers with Medicaid
  + $250,000 – available to all drivers
  + $500,000 – available to all drivers
  + Unlimited – available to all drivers

**PIP covers immediate and long-term medical and rehabilitation expenses if you are injured in a car crash.**

* People who are seriously injured in car crashes may need medical and rehabilitation care for years, decades and even for a lifetime, costing thousands to millions of dollars.
* Michigan motorists without PIP will pay medical and rehabilitation expenses out of pocket, or with another type of insurance – *if* they have other insurance – that may not cover the care.
* For years, full PIP coverage coincided with Michigan’s best-in-the-nation insurance being among the most expensive in the country, **but opting out of PIP could be more costly for you in the long-term.** 
  + So far in 2020, a car crash costs an average of $4,000 for an outpatient emergency visit, and $70,000 for an in-patient hospitalization, according to recent data from the U.S. Centers for Disease Control and Prevention.
  + Medical care costs and productivity losses associated with injuries and deaths from motor vehicle crashes exceeded $75 billion in 2017 (CDC).
  + More than 2.5 million drivers and passengers were treated in emergency departments as the result of being injured in motor vehicle traffic crashes in 2015 (CDC).

**Your health should be your first concern *before* you get into a crash, not after.**

* Unfortunately, auto accidents are common, and PIP covers you if you are injured in one.
  + Research conducted in 2019 for the Michigan Health & Hospital Association found that 38% of insured Michigan motorists and 52% of those who have no auto insurance have been in a serious car crash or know someone who has been in a serious crash.
* From a broken arm to a spinal cord injury, the costs of emergency room visits, surgeries, long-term physical therapy, home modifications, job training and long-term care can take a financial toll on you and your family.
* PIP coverage pays for many medical and rehabilitation services you might need and that other types of insurance may not cover. It even provides wage loss protection, which no other medical coverage provides.
* According to the National Safety Council, in 2018, there were:
  + 534,223 drivers involved in crashes
  + 312,798 total vehicle crashes
  + 75,838 total injuries
  + 79,014 rear-ended crashes
  + 99,027 intersection crashes
  + 44,008 crashes due to ice, snow or slush

**Learn more about the big changes coming to your auto insurance policy and how you can still drive protected after July 1.**

* You have questions about the new auto insurance law, so make sure you are getting answers from credible sources. Learn more about your options at DriveProtected.org and talk to your auto insurance agent or company to decide what’s best for you.
  + DriveProtected.org provides important information about the changes to Michigan’s Auto No-Fault insurance law and how they affect you.
* DriveProtected.org is supported by the Michigan Health & Hospital Association – the statewide leader representing Michigan’s community hospitals and the patients they serve.
* DriveProtected.org seeks to give drivers the information they need so they can continue to drive protected after July 1, 2020.