



CHOOSING PIP MEDICAL COVERAGE

Selecting a Policy: Drivers need to consider the financial impacts and insurance protections of each PIP medical coverage level before choosing a policy appropriate for their needs and budget.

Auto insurers and agents are required to give policyholders forms that describe the benefits and risks of the coverage options. Drivers may want to consult with an auto insurance agent, insurance company, or financial advisor.

Sample forms can be found on the DIFS website at:
www.michigan.gov/autoinsurance



CONTACT DIFS

The Department of Insurance and Financial Services is here to help. Contact DIFS for more information about the new law, choosing coverage, shopping for insurance, documents drivers need for their insurance agent or company, and how to file a complaint.

WEBSITE:

www.michigan.gov/autoinsurance

EMAIL:

autoinsurance@michigan.gov

TOLL FREE:

833-ASK-DIFS (275-3437)



MICHIGAN'S NEW AUTO INSURANCE LAW

Governor Whitmer signed historic bipartisan auto no-fault legislation to lower costs, maintain the highest coverage options in the country, and strengthen consumer protections.

Changes apply to policies issued or renewed after July 1, 2020.

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LOWERS COSTS, MAINTAINS BENEFITS

Personal Injury Protection (PIP) Choice:

Drivers will now be able to choose a coverage level appropriate for their needs and budget.

PIP medical coverage pays for medical care if policyholders are in an auto accident.

The new limits equal or exceed the highest benefits in the country, and Michigan is the only state where unlimited PIP medical continues to be an option.

Premium Reduction: Each insurance company will be required to reduce statewide average PIP medical premiums for eight years.

Fee Schedule: A fee schedule will control the costs that medical providers may charge auto insurers. Premiums will be more affordable, but the services to which existing and future accident victims are entitled will not be affected.



INCREASES CONSUMER PROTECTIONS

Elimination of Certain Non-Driving

Factors: Auto insurance companies are prohibited from using sex, marital status, home ownership, credit score, educational level, occupation, and zip codes.

Fraud Investigation Unit: A new unit investigates criminal activity related to the insurance industry.

Prior Approval: Auto insurance rates must now be approved prior to being offered to consumers.

Fines and Penalties: Increased fines on the insurance industry



PIP MEDICAL OPTIONS

New Coverage Options: Drivers must choose a level of PIP medical coverage, which pays for medical care if they are in an auto accident.

Insurance companies are required to reduce the PIP medical portion of premiums based on the coverage chosen.

PIP Medical Coverage Levels: Each level is the most a driver's auto insurer will pay per person per accident.

- **Unlimited**
- **\$500,000**
- **\$250,000**
- **\$50,000 (Medicaid)**
- **PIP medical opt-out (Medicare)**

