

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Bulletin 2020-03-INS

In the matter of:

Choice of Bodily Injury Liability Coverage Limits Form
and Personal Injury Protection (PIP) Choice Forms

**Issued and entered
this 17th day of January 2020
by Anita G. Fox
Director**

This bulletin supersedes Bulletin 2019-29-INS in order to re-publish the Choice of Bodily Injury Liability Coverage Limits Form and Michigan Selection of Personal Injury Protection (PIP) Medical Coverage Forms.

The Michigan Selection of Personal Injury Protection (PIP) Medical Coverage Form for individual / personal policies has been amended to clarify the amount of coverage available from the Michigan Assigned Claims Plan when a person loses Qualified Health Coverage.

The Choice of Bodily Injury Liability Coverage Limits Form (BI Form) has not been amended, but is re-published here for convenience.

The Michigan Selection of Personal Injury Protection (PIP) Medical Coverage Form for commercial policies is unchanged from the version published with Bulletin 2019-24-INS. However, it is being re-published here along with the amended form for convenience.

Insurers must include the DIFS BI Form and the appropriate PIP Choice Form(s) in any form filings.

Choice of Bodily Injury Liability Coverage Limits Form

Section 3009(5) of the Insurance Code, MCL 500.3009(5), requires automobile insurers to use DIFS' BI Form. The BI Form is attached to this bulletin. Automobile insurers are required to use this form when offering applicants and insureds no-fault automobile insurance that will be issued or renewed after July 1, 2020. The BI Form must be offered to all insureds at each renewal after July 1, 2020.

Insurers and producers are required to offer applicants and existing policyholders a list of all bodily injury options that are available from that insurer, not only the \$50,000/\$100,000 and \$250,000/\$500,000 limits expressly referenced in the BI Form.

Michigan Selection of Personal Injury Protection (PIP) Medical Coverage Forms

Automobile insurers must offer applicants and insureds a choice of PIP medical limits for policies issued or renewed after July 1, 2020. Insurers may use DIFS' Michigan Selection of Personal Injury Protection (PIP) Medical Coverage Form (PIP Choice Form). Insurers may choose to develop and use their own form instead, but must file that form with DIFS for prior approval.

DIFS is issuing two PIP Choice Forms: one for individual / personal policies, and one for commercial policies. Both are attached to this bulletin.

Any questions regarding this bulletin should be directed to:

Department of Insurance and Financial Services
Office of Insurance Rates and Forms
P.O. Box 30220
Lansing, Michigan 48909-7720
Toll-Free: (877) 999-6442

/s/

Anita G. Fox
Director

MICHIGAN CHOICE OF BODILY INJURY LIABILITY COVERAGE LIMITS

AGENCY:	APPLICANT/NAMED INSURED:	
	INSURANCE COMPANY:	
	POLICY/QUOTE NO.:	EFFECTIVE DATE:

READ THIS ENTIRE FORM CAREFULLY

THE PURPOSE OF THIS FORM

The purpose of this form is to explain the choice you have regarding your bodily injury liability insurance protection and to assist you in making that choice. Read this form carefully because the choice you make will have financial consequences.

PART A: BODILY INJURY LIABILITY INSURANCE COVERAGE EXPLAINED

Bodily injury liability insurance covers claims made against you for injuries to others if you are at fault in an auto accident. Michigan auto insurance policies are required to provide bodily injury liability insurance coverage of not less than \$250,000 per person and up to \$500,000 per accident (“\$250,000/\$500,000”) for these claims unless you select higher or lower limits depending on the amount of protection you need. In no event can you select less than \$50,000 per person and \$100,000 per accident. If you do not make a selection, your policy will be issued with limits of \$250,000/\$500,000.



If you want bodily injury liability coverage limits of \$250,000/\$500,000 or more, you do **NOT** need to complete this form.

PART B: INCREASED RISKS WITH LOWER BODILY INJURY LIABILITY INSURANCE COVERAGE LIMITS

If you are responsible for injuries to another person, you may be liable for damages for their pain and suffering, as well as the costs of their medical and other care that exceed their coverage under their auto insurance policy. The bodily injury liability limit of your policy will pay for such damages, but only up to the amount of the limit you choose. You will be required to pay any amount over the limit you choose. This amount could be substantial and may lead to severe financial consequences, such as:

- Your assets may be seized, or a lien may be placed on your home;
- Your wages may be garnished; or
- Your driver’s license may be suspended.

Selecting lower bodily injury liability insurance coverage limits may also affect your eligibility for an umbrella policy.

PART C: CONFIRMATION OF UNDERSTANDING—YOU MUST READ AND INITIAL EACH LINE

(Initials) I have received a list of all the bodily injury liability coverage options available to me and the price for each option.

(Initials) I understand that any bodily injury liability coverage election I make applies to me and any other person covered by this policy.

(Initials) I understand that the bodily injury liability coverage limits I choose will remain the same as long as the policy is in effect or until I change them.

BY SIGNING THIS FORM, I ACKNOWLEDGE THAT: (1) I HAVE READ THIS FORM OR HAD IT READ TO ME; (2) I UNDERSTAND MY CHOICES AND THE POTENTIALLY SEVERE RISKS DESCRIBED ABOVE; AND (3) I AM CHOOSING TO PURCHASE BODILY INJURY LIABILITY COVERAGE LIMITS LOWER THAN \$250,000/\$500,000.

Named Insured/Applicant Signature

Date

**MICHIGAN SELECTION OF PERSONAL INJURY PROTECTION (PIP)
MEDICAL COVERAGE - COMMERCIAL/BUSINESS**

AGENCY:	APPLICANT/NAMED INSURED:	
	INSURANCE COMPANY:	
	POLICY/QUOTE NO.:	EFFECTIVE DATE:

READ THIS ENTIRE FORM CAREFULLY

THE PURPOSE OF THIS FORM

The purpose of this form is to explain the choice you have regarding your **Personal Injury Protection (PIP) medical** coverage and to assist you in making that choice. Read this form carefully because the choice you make will have financial consequences for you, your company, and your employees.

Personal Injury Protection (PIP) Medical Coverage Explained

Personal Injury Protection (PIP) pays allowable expenses for medical care, recovery, rehabilitation, wage loss, and replacement services. PIP coverage also includes some funeral expense benefits and survivor's benefits which are paid to the dependents of a covered person if injuries from an auto accident result in their death. This form allows you to select the level of **PIP medical** coverage you want included with your commercial auto policy.

This form is divided into three sections, which are described below.

- Section A will review your **PIP medical** coverage options and the risks and benefits of each option.
- Section B will ask you to choose ONE coverage option.
- Section C will ask you to certify your choice and acknowledge the information within this form.

NOTICE

You must choose the level of **PIP medical** coverage you wish to have under your auto policy. If you do not make a selection from the options listed:

- Your policy will be issued with unlimited **PIP medical** coverage; AND
- You will be charged the appropriate premium for this coverage.

Definitions

The terms in bold letters throughout this form are defined below.

Applicant means a person, company or business 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.

Named insured means the individual(s), company or business 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.

Section A: Your PIP Medical Choices and the Risks and Benefits of Each

Option 1: Unlimited Coverage

This option provides the most coverage. It will pay for all allowable expenses for care, recovery, and rehabilitation if a person covered under this policy is 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 anyone covered under this policy will have out-of-pocket costs for their 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 medical expenses. If the PIP medical limit is reached, an injured person may need to rely on other health coverage, which may not cover all medical, rehabilitation, or attendant care costs. If an injured person does not have other health coverage, they 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 .

Section B: PIP Medical Coverage Options and Certification

Make your selection carefully because the choice you make will have financial consequences for you, your company, and your employees. If you choose more than one option, your insurer will provide the option that has the highest level of benefits and will charge the appropriate premium for that option.

INITIAL ONE AND ONLY ONE option on the line next to your choice.

_____ Option 1: Unlimited coverage **OR**

(Initial)

_____ Option 2: \$500,000 per person per accident **OR**

(Initial)

_____ Option 3: \$250,000 per person per accident **OR**

(Initial)

Section C: Certification

You must initial each line and sign and date this form.

_____ I have read this form. I understand the **PIP medical** options available and the benefits and risks associated with those options.

(Initial)

_____ I have made a coverage selection and I understand that the selection I have made applies to any person claiming benefits under this policy.

(Initial)

_____ I understand that if I have not made a selection the policy will be issued with unlimited **PIP medical** coverage and I will be charged the premium for this option.

(Initial)

APPLICANT/NAMED INSURED SIGNATURE

DATE

--	--

**MICHIGAN SELECTION OF PERSONAL INJURY PROTECTION (PIP)
MEDICAL COVERAGE – INDIVIDUAL(S)**

AGENCY:	APPLICANT/NAMED INSURED:	
	INSURANCE COMPANY:	
	POLICY/QUOTE NO.:	EFFECTIVE DATE:

READ THIS ENTIRE FORM CAREFULLY

THE PURPOSE OF THIS FORM

The purpose of this form is to explain the choice you have regarding your **Personal Injury Protection (PIP) medical** coverage and to assist you in making that choice. Read this form carefully because the choice you make will have financial consequences.

Personal Injury Protection (PIP) Medical Coverage Explained

Personal Injury Protection (PIP) pays allowable expenses for your care, recovery, rehabilitation, wage loss and replacement services. PIP coverage also includes some funeral expense benefits and survivor's benefits which are paid to your dependents if injuries from an auto accident result in your death. This form allows you to select the level of **PIP medical** coverage you want included with your auto policy.

This form is divided into three sections, which are described below.

- Section A will review your **PIP medical** coverage options and the risks and benefits of each option.
- Section B will ask you to choose ONE coverage option.
- Section C will ask you to certify your choice and acknowledge the information within this form.

NOTICE

You must choose the level of **PIP medical** coverage you wish to have under your auto policy. If you do not make a selection from the options listed:

- Your policy will be issued with unlimited **PIP medical** coverage; AND
- You will be charged the appropriate premium for this coverage.

Definitions

The terms in bold letters throughout this form are defined below for informational purposes only and are not intended to limit or expand coverage that may be available in a particular policy.

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 a motor vehicle 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**.

Resident relative means a relative of either you or your spouse who lives in the same household.

Section A: Your PIP Medical Choices and the Risks and Benefits of Each

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: <ul style="list-style-type: none"> • 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.

Section A (Continued)

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	<p>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.</p> <p>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.</p>
Benefits	<p>Lower coverage limits have less expensive premiums than plans with higher or unlimited PIP medical coverage.</p> <p>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.</p>

Option 6: No **PIP medical** coverage for anyone covered by this policy

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	<p>NO PIP MEDICAL COVERAGE WILL BE PROVIDED UNDER YOUR POLICY.</p> <p>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.</p> <ul style="list-style-type: none"> • 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	<p>You will pay a reduced premium because your policy will not be charged a premium for PIP medical coverage.</p>

Section B: PIP Medical Coverage Options and Certification

Make your selection carefully because the choice you make will have financial consequences. If you choose more than one option, your insurer will provide you with the option that has the highest level of benefits and will charge the appropriate premium for that option.

INITIAL ONE AND ONLY ONE option on the line next to your choice.

_____ Option 1: Unlimited coverage **OR**
(Initial)

_____ Option 2: \$500,000 per person per accident **OR**
(Initial)

_____ Option 3: \$250,000 per person per accident **OR**
(Initial)

_____ Option 4: \$250,000 per person per accident with exclusions **OR**
(Initial)

By selecting Option 4, you certify that one or both of the following are true:

- A **named insured** who is excluding **PIP medical** has **qualified health coverage** that is not Medicare.
- Any **resident relative** or spouse who is excluding **PIP medical** has **qualified health coverage**.

Full Name of Each Excluded Person on the Policy	Date of Birth

_____ Option 5: \$50,000 per person per accident **OR**
(Initial)

By selecting Option 5, you certify that both of the following are true:

- The **applicant** or **named insured** is enrolled in Medicaid; AND
- Any spouse and all **resident relatives** have **qualified health coverage**, is enrolled in Medicaid, or are covered under another auto policy with **PIP medical** coverage.

_____ Option 6: No **PIP medical** coverage.
(Initial)

By selecting Option 6, you certify that both of the following are true:

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

Section C: Certification

You must initial each line and sign and date this form.

_____ I have read this form. I understand the **PIP medical** options available to me and the benefits and risks associated
(Initial) with those options.

_____ I have made a coverage selection and I understand that the selection I have made applies to me and any other
(Initial) person claiming benefits under this policy.

_____ I understand that if I have not made a selection my policy will be issued with unlimited **PIP medical** coverage
(Initial) and I will be charged the premium for this option.

_____ I understand that if I have chosen Option 4 or Option 6, I must notify my insurer within 30 days if a person who
(Initial) has **qualified health coverage** loses their **qualified health 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.

APPLICANT/NAMED INSURED SIGNATURE

DATE

--	--