



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

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**LIMITATION ON NONECONOMIC DAMAGES and
PRODUCT LIABILITY DETERMINATION ON ECONOMIC DAMAGES**

Subsection 1 of Section 1483 of Act No. 236 of the Public Acts of 1961 (M.C.L. Section 600.1483), as amended by Act No. 78 of 1993, states the following:

(1) In a claim for damages alleging medical malpractice by or against a person or party, the total amount of damages for noneconomic loss recoverable by all plaintiffs, resulting from the negligence of all defendants, shall not exceed \$280,000.00 unless, as the result of the negligence of 1 or more of the defendants, 1 or more of the following exceptions apply as determined by the court pursuant to section 6304, in which case damages for noneconomic loss shall not exceed \$500,000.00:

- (a) The plaintiff is hemiplegic, paraplegic, or quadriplegic resulting in a total permanent functional loss of 1 or more limbs caused by 1 or more of the following:
 - (i) Injury to the brain.
 - (ii) Injury to the spinal cord.
- (b) The plaintiff has permanently impaired cognitive capacity rendering him or her incapable of making independent, responsible life decisions and permanently incapable of independently performing the activities of normal, daily living.
- (c) There has been permanent loss of or damage to a reproductive organ resulting in the inability to procreate.

Subsection 4 of Section 1483 of Act No. 236 of the Public Acts of 1961, as amended (M.C.L. Section 600.1483), states the following:

Sec. 1483. (4) . . . the state treasurer shall adjust the limitations on damages for noneconomic loss set forth in subsection (1) by amounts determined by the state treasurer at the end of each calendar year to reflect the cumulative annual percentage change in the consumer price index. As used in this subsection, "consumer price index" means the most comprehensive index of consumer prices available for this state from the bureau of labor statistics of the United States department of labor.

**Limitation on Noneconomic Damages
and
Product Liability Determination on Economic Damages**

| | Malpractice and Product Liability | | | Product Liability | | |
|------------------------|--|-------------------------------------|---------------------|-------------------------------------|---------------------------------|---------------------------------------|
| | Malpractice | Excluding | Certain | Economic Damages Not Readily | | |
| | Pre 10/1993 | Certain Permanent | Permanent | Ascertained by Trier of Fact | | |
| | Disabilities | Disabilities | Disabilities | \$36,652 | \$53,457 | \$57,996 |
| Original Amount | <u>\$225,000</u> | <u>\$280,000</u> | <u>\$500,000</u> | | | |
| MCL | 600.1483(1) | 600.1483(1) and 600.2946a(1) | | 600.2946a(4) | | |
| Effective Date | <u>10/01/1986</u> | <u>04/01/1994 and 03/28/1996</u> | | <u>3/28/1996</u> | | |
| Original Year | 1986 | 1994 | 1994 | 1989 Median Family Income | 1999 Median Family Income | Post 2005 ACS Family Income (1) |
| <u>Year of Limit</u> | | | | | | |
| 1987 | \$228,128 | | | | | |
| 1988 | 235,620 | | | | | |
| 1989 | 244,600 | | | | | |
| 1990 | 257,650 | | | | | |
| 1991 | 270,930 | | | | | |
| 1992 | 280,410 | | | | | |
| 1993 | 286,309 | | | | | |
| 1994 | 294,101 | | | | | |
| 1995 | 303,371 | \$288,825 | \$515,759 | | | |
| 1996 | 313,062 | 298,052 | 532,235 | \$44,534 | | |
| 1997 | 321,300 | 305,800 | 546,200 | 45,703 | | |
| 1998 | 329,200 | 313,600 | 560,000 | 46,841 | | |
| 1999 | 336,600 | 320,600 | 572,500 | 47,904 | | |
| 2000 | 345,400 | 328,700 | 587,000 | 49,114 | | |
| 2001 | 357,800 | 340,500 | 608,000 | 50,873 | | |
| 2002 | 367,400 | 349,700 | 624,500 | 52,266 | | |
| 2003 | 376,900 | 359,000 | 641,000 | | \$58,375 | |
| 2004 | 384,500 | 366,000 | 653,500 | | 59,498 | |
| 2005 | 390,600 | 371,800 | 664,000 | | 60,460 | |
| 2006 | 402,100 | 382,800 | 683,500 | | | 57,996 |
| 2007 | 414,200 | 394,200 | 704,000 | | | 59,618 |
| 2008 | 421,700 | 401,500 | 717,000 | | | 60,615 |
| 2009 | 431,300 | 410,800 | 733,500 | | | 56,681 |
| 2010 | 428,600 | 408,200 | 729,000 | | | 56,101 |
| 2011 | 432,000 | 411,300 | 734,500 | | | 58,068 |
| 2012 | 446,200 | 424,800 | 758,500 | | | 59,295 |
| 2013 | 455,200 | 433,400 | 774,000 | | | 60,846 |
| 2014 | 462,400 | 440,200 | 786,000 | | | 62,143 |
| 2015 | 467,300 | 444,900 | 794,500 | | | 63,893 |
| 2016 | 460,800 | 438,800 | 783,500 | | | 67,330 |
| 2017 | 468,000 | 445,500 | 795,500 | | | 68,407 |
| 2018 | 477,900 | 455,000 | 812,500 | | | 69,821 |

(1) Listed median family income for years 2006-2016 is the American Community Survey (ACS) Michigan median family income for each given year. The listed 2017 and 2018 median family incomes represent the 2016 ACS Michigan median family income grown by inflation. The Census Bureau conducts the ACS annually. The most recently published ACS data are for 2016. The Census Bureau did not collect income data in its 2010 decennial census.