

Seniors Need PIP Benefits (HB 4959)

Key issue:

“ An owner or registrant of a motor vehicle required to be registered in this state who is an individual 65 years of age or older is not required to maintain security for benefits under personal protection insurance.”

The supposition is that this population is already covered, whether by their personal health insurance, or eventually Medicare/Medicaid, and thus they are being made to pay twice for benefits. However, all of these coverages have distinct shortfalls with regards to the benefits covered under personal injury protection in auto no-fault.

Not everyone is covered:

Medicare and other federal health insurance cover approximately 17% of Michigan residents. Approximately 11% qualify for Medicaid, and 61% of Michigan residents have private health insurance.

Discrepancy in benefits:

Michigan auto no-fault covers “all reasonable charges incurred for reasonably necessary products, services and accommodations for an injured person’s care, recovery, or rehabilitation.”

The following are not covered under Medicare/Medicaid/personal health insurance: whole home modifications, aggressive/persistent therapies, electric wheelchairs, modified vans, 24 hour in-home nursing for as long as you may need it (doctor’s prescription).

For the benefits that are covered, they are severely limited:

We’ll use a physical therapy example.

No-fault: No preset limits (in dollar amount or number of visits). Some ANF patients need to see physical therapists 3 times per week.

Medicare: The 2013 cap on physical therapy and speech therapy combined is \$1,900.

Medicaid: 36 visits within the first 90 days are covered without prior approval. Moving forward, patients must have *significant functional improvement*, within a *reasonable amount of time* and improvements *should be durable (i.e., maintainable)*.

BCBS: Physical, occupational, and speech therapy benefits are limited to 75 visits per year combined. There is also a \$30 copayment per visit for specialists.