How Auto No-Fault Personal Injury Protection Works....and Why a Legislative Fix is Needed

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1st Call Home Healthcare

Long Term Care
Care after $600K is paid by MCCA fee of $122 per year

95.40% of the average auto policy has nothing to do with long term care

95.40% of the average Unlimited Michigan Auto Policy of $2,639* per year

4.6% $122/yr

Collision
Comprehensive
Property Damage
Theft
Liability
Injury up to $600K

Long Term Care
Care after $600K is paid by MCCA fee of $122 per year

Approximately 5.5 Million Drivers Choose Unlimited
5.5M x $122 = $671M year

Car Accident

Hospital

“Reasonable and Customary Charges”

Paid by Unlimited PIP up to $600K then MCCA Fund

Acute Rehab

Step-Down Rehab

Evolution of Care for a Catastrophic Auto Injury

Michigan Pre-Reform

“Reasonable and Customary Charges”

Paid by MCCA Fund

Survivors will ultimately reside in one of these environments

- Home with Family/Agency
- Specialized Residential Care Program
- Specialized Group Home

And will require these services...often for life

Aide and Nurse Attendant Care
Residential Support Services
Neuro Rehabilitation
Specialized Therapy
Short-Term Care Facilities
Car Accident → Hospital → Acute Rehab → Step-Down Rehab
Survivors will ultimately reside in one of these environments:
- Home with Family/Agency
- Specialized Residential Care Program
And will require these services...often for life:
- 1:1 Aide and Nurse Attendant Care
- Residential Support Services
- Neuro Rehabilitation
- Specialized Therapy
- Short-Term Care Facilities

Evolution of Care for a Catastrophic Auto Injury
Michigan Post Reform
- 45% Cut to Each Provider’s Specific Jan 2019 Charge Rates
- Paid by MCCA Fund

Unlimited PIP up to $600K then MCCA Fund
up to 200% of Medicare Rates
Car Accident

Hospital

Acute Rehab

Step-Down Rehab

Evolution of Care for a Catastrophic Auto Injury

Other States

Survivors will ultimately reside in one of these environments

- Medicaid Nursing Group Home
- Medicaid Long Term Care Facility

And will not get these services

- Aide or Nurse Daily Care
- Residential Support Services
- Long Term Neuro Rehabilitation
- Long Term Specialized Therapy

1. Average $250k from auto insurance
2. Driver's Private Health Insurance
3. Exhaust Private Funds
4. State Medicaid

NO COVERAGE Medicaid, Medicare and Private Health Insurance

Medicaid Long Term Care Facility

1. Driver's Private Health Insurance
2. State Medicaid
3. Exhaust Private Funds
4. Average $250k from auto insurance

Other States

NO COVERAGE Medicaid, Medicare and Private Health Insurance

Aide or Nurse Daily Care
Residential Support Services
Long Term Neuro Rehabilitation
Long Term Specialized Therapy
up to 200% of Medicare

45% cut to home care agencies

8 hour per day cap + 45% cut

45% cut to residential programs
Was the intent of the reform to control costs or eliminate the long-term benefits?
Why we need a legislative fix NOW!

A Supreme Court win.....

- Will not restore care to survivors injured after June 11\textsuperscript{th}, 2019, even if they were covered under an “Unlimited” Policy

- Will return the system to “Reasonable and Customary” where unscrupulous providers can attempt overcharging and every case is litigated for rates