

# The new auto insurance law

## And how it affects you



### MEMBERS WITH AN EMPLOYER-SPONSORED PLAN

The new auto insurance law makes significant changes to Michigan's no-fault auto insurance system. And, depending on any changes you make to your auto insurance policy, it could also affect the way it works with your health plan. We share this information with you to help you make the most informed decision regarding the new law.

**Here are some important things to know.**

#### **When does the new law go into effect?**

The new law is effective for auto policies renewing on and after July 1, 2020.

#### **How does it impact my health plan coverage?**

Personal injury protection, known as PIP coverage, is the part of your auto insurance policy that covers medical expenses if you are injured in an automobile accident. Right now, it's most likely baked into your policy, but starting July 1, you can choose different coverage levels, or opt out of PIP entirely **as long as** you have qualified health coverage (QHC) through your Priority Health plan.

#### **Do I have QHC as part of my health plan?**

If your employer-sponsored health plan covers auto injuries and has an individual deductible of \$6,000 or less, you have QHC. You can review your auto-related health plan coverage by talking to your HR representative or checking your Certificate of Coverage (HMO/POS plans) or Policy (PPO plans) in your Priority Health member account.\*

### Who covers my accident-related injuries if I opt out of PIP?

If you've confirmed you have QHC and choose to opt out of PIP on your auto insurance policy, you're covered solely by your Priority Health plan. That means your out-of-pocket costs will vary based on your plan benefits and you'll receive no additional coverage toward accident-related injury costs from your auto insurance.\*\*

### What happens if I don't opt out of PIP?

If you don't opt out of PIP and you keep unlimited coverage or purchase a lower amount of coverage, you'll keep the same coordinated coverage for accident-related injuries. That means that you'll be covered by both your auto policy and your health plan. Both companies will work together to coordinate coverage and payments toward accident-related injuries, which can really help financially, especially if the injuries sustained require extensive therapy.

### How can I request my QHC proof of coverage letter?

A Priority Health representative can assist you with documentation. Please call the number on the back of your member ID card to get started.

### Where can I learn more about the new auto insurance law?

We understand the new law can be a lot to take in. If you'd like to learn more before you make a decision to change your auto insurance policy, you may call the Michigan Department of Insurance and Financial Services (DIFS) dedicated hotline at 833.ASK.DIFS, email [autoinsurance@michigan.gov](mailto:autoinsurance@michigan.gov) or go to either of the following websites for more information:

- [priorityhealth.com/landing/auto-insurance-reform](https://priorityhealth.com/landing/auto-insurance-reform)
- [michigan.gov/autoinsurance](https://michigan.gov/autoinsurance)

*\*If you're on a self-funded employer group plan, your employer retains the right to handle, exclude or coordinate coverage for auto injuries.*

*\*\*With some employer-sponsored plans, your employer may cover some costs, but only if you are still covered by your employer's plan. If any injuries sustained put you out of work or force you to leave your employer, your benefits will stop and you will not be covered, making you responsible for costs related to your injuries and your recovery.*

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