



How Michigan's Auto Reform Impacts Your Health Insurance

You've probably heard about changes to auto insurance in Michigan and may have some questions on how they will impact you. The following memo should provide you with a short summary of what is changing and new options you can choose.

What is the new law?

The new auto insurance reform law goes into effect on July 1, 2020. It allows motorists to choose the amount of medical coverage they want when purchasing personal auto insurance for policies renewing on or after July 2, 2020. This change is designed to lower rates for Michigan drivers, who pay some of the highest insurance rates in the nation.

What does this mean for me?

This new law provides you with options when it comes to the level of personal injury protection (PIP) included in your auto insurance. Here is a quick breakdown of what is available to you:

- Unlimited coverage
- \$500,000
- \$250,000
- \$50,000 if you are enrolled in Medicaid
- Opt-Out if you are enrolled in Medicare
- Opt-Out if you are covered under an individual or employer-sponsored plan that covers auto related accidents

While saving money on auto insurance may be appealing, it is important to remember that PIP may cover benefits not covered by your health insurance, such as lost wages, attendant care, and modifications to your vehicle or home. We encourage you to discuss these options with your auto insurance agent to determine what level of coverage may be appropriate for you.

What should I do next?

In the coming months, auto insurance carriers may be requesting a letter showing whether your medical insurance with Blue Cross Blue Shield is qualified health insurance. Your coverage under Blue Cross Blue Shield is NOT qualified health insurance and excludes coverage for auto related accidents. If your carrier is requesting proof of the Blue Cross Blue Shield exclusion, you will need to contact Blue Cross Blue Shield and request an auto carrier coordination of benefits letter.

Blue Cross Blue Shield Customer Service – (877) 354-2583

Disclaimer: Please be aware that if you change employers, you will need to re-evaluate how your new medical coverage coordinates with your auto insurance.

Questions? We're here to help – (616) 233-4111 or quoteme@hubinternational.com
www.hubinternational.com

