



# AUTO NO-FAULT LIFETIME/UNLIMITED MEDICAL COVERAGE VS MEDICARE:

UNDERSTANDING YOUR CHOICES UNDER MICHIGAN'S AMENDED AUTO INSURANCE LAW – THE FACTS!

In 2019, dramatic changes were made to the Michigan auto insurance law. Drivers now are faced with a number of choices in Personal Injury Protection coverage (PIP), that if selected, could have devastating consequences should they, or their loved ones, suffer serious injury in an auto crash.

Seniors now have the option to completely opt-out from no-fault allowable expense PIP benefits if they satisfy the following two conditions:

- 1) the person is covered under Parts A and B of Medicare; **and**
- 2) the person's spouse **and** any resident relative has Medicare "qualified health coverage," or has no-fault PIP coverage under a separate policy.

Seniors who select this option are not entitled to coverage through the Assigned Claims Plan (ACP) when injured as an occupant of a motor vehicle, but are likely entitled to ACP coverage when injured as a non-occupant or pedestrian, and there is no other insurer from which to recover PIP benefits. ACP medical benefits are capped at \$250,000.

Before you consider this option, it is vital to understand what benefits are not available under Medicare, but may be needed should you be severely injured in a crash. Below is a table identifying how the care and rehabilitation needs of a vehicle crash survivor are covered under Michigan's auto no-fault lifetime/unlimited medical expense coverage vs Medicare.

## AUTO NO-FAULT LIFETIME/UNLIMITED COVERAGES VS MEDICARE\*

CARE AND REHABILITATION CARE NEEDS	AUTO NO-FAULT	TRADITIONAL MEDICARE
<b>Post-Acute Care/Skilled Nursing Facility</b>	<b>Lifetime Coverage</b> - 24/7 as long as needed and prescribed	<b>Limited</b> - Up to 100 days; Full coverage first 20 days, then co-pay of \$194.50/day. 101 days and beyond - you pay all costs.
<b>Long-term Care/Custodial Care</b>	<b>Lifetime Coverage</b> - 24/7 as long as needed and prescribed	<b>Not covered</b>
<b>Residential Treatment Programs</b>	<b>Lifetime Coverage</b>	<b>Not covered</b>
<b>Case Management Service</b> (a collaborative multi-step process for care coordination for people with complex health conditions to promote patient safety, quality of care and cost effective outcomes)	<b>Lifetime Coverage</b>	<b>Not covered</b>
<b>Attendant Care</b> (assistance with care, supervision, and cueing)	<b>Lifetime Coverage</b> - 24/7 as long as needed and prescribed	<b>Limited</b> - (home health aide services 2 -3 times weekly for 4 hours if receiving another Medicare skilled service)
<b>Guardianship or Conservators</b>	<b>Lifetime Coverage</b>	<b>Not covered</b>
<b>Transportation Services</b> (to and from medical appointments)	<b>Lifetime Coverage</b>	<b>Not covered</b>
<b>Physical, Speech and other Outpatient Therapies</b> (Patients with severe brain and spinal cord injuries may need therapies for months or even years)	<b>Lifetime Coverage</b>	<b>Limited</b> - Will cover 80%, \$2150/year combined therapies - additional review required
<b>Occupational Therapy</b>	<b>Lifetime Coverage</b>	<b>Limited</b> - Will cover 80%, \$2150/year combined therapies - additional review required
<b>Durable Medical Equipment</b> (walkers, wheelchairs etc.)	<b>Lifetime Coverage</b>	<b>Limited</b> - Will cover 80%
<b>Massage Therapy</b>	<b>Lifetime Coverage</b>	<b>Not covered</b>
<b>Home Modifications to ensure accessibility</b>	<b>Lifetime Coverage</b>	<b>Limited</b>
<b>Vehicle Modifications</b> (accommodate wheel chairs, hand controls, etc.)	<b>Lifetime Coverage</b>	<b>Not covered</b>
<b>Specialty Assistive Devices</b> (computers, assistive electronics, communication devices, fitness equipment)	<b>Lifetime Coverage</b>	<b>Limited</b>
<b>Deductibles &amp; Coinsurance Payment</b>	<b>No Deductibles or Co-pay</b>	<b>Yearly deductibles and Co-pays</b>

\* With no MSP or Supplemental Coverage | \*2022 limits according to Medicare.gov

### OTHER CONSIDERATIONS:

- Care options may be limited since not all specialists participate with Medicare
- Seniors are more likely to have previous medical conditions such as Parkinson's Disease, stroke, osteoporosis, diabetes, arthritis and heart disease that may complicate and lengthen the recovery process from an auto accident
- If the senior received a settlement from an accident claim, Medicare is entitled to recover the cost of any medical expenses paid to the claimant.



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