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| **PIP / ALLOWABLE EXPENSES / BI / UM / UIM** | |
| **Q: Are all drivers on a policy required to have the same PIP limit?** | **A:** There will be only one PIP allowable expense limit that will apply to a policy. All drivers under one policy will have the same PIP allowable expense limits. However, the limit is applied per individual, per loss occurrence, similar to existing bodily injury limits. |
| **Q: If an insured decides not to make any changes to their PIP coverage, will the policy renew with unlimited coverage?** | **A:** Yes, unlimited PIP coverage is the default level. In order to be subject to a specific PIP allowable expense limit ($50k, $250k, or $500k), an insured must actively elect that limit on a signed form and submit it to the insurer. |
| **Q: Do the lower PIP limits ($50k,**  **$250K or $500k) still cover medical, wage loss, survivors’ benefits, etc.?** | **A:** The $50k, $250k or $500k PIP limits apply only to allowable expenses, which includes but is not limited to, medical expenses and attendant care. Wage loss benefits, household services, and survivor’s loss benefits are not impacted by the $50k, $250k or $500k PIP allowable expense limits. |
| **Q: If an insured selects a $50k, $250k or $500k limit or opt-out, can they change to unlimited coverage at any time?** | **A:** Yes, an insured can change his or her PIP allowable expense limits from opt-out, $50k, $250k or $500k to unlimited at any time. To make the change the insured will have to sign a new PIP form. |
| **Q: If an insured chooses a lower PIP limit of $250k or $500k does that mean AAA is primary up to that limit?** | **A:** Not necessarily. Insureds will still have the ability to elect coordinated medical benefits. |
| **Q: Traditionally, Medicare and Medicaid did not cover auto-related accidents. With this new law, are they required to cover auto-related injuries if they chose a limit that is less than unlimited?** | **A:** In the past, Medicare and Medicaid did not cover auto accident-related expenses because all insureds had access to unlimited PIP benefits through their auto insurance carrier. Medicare and Medicaid are secondary payers. Medicare and Medicaid will follow their established procedures for determining whether coverage will be afforded. |
| **Q: Are we disposing of the ERISA list?** | **A:** We will continue to use the ERISA list. Insureds will still be able to choose coordinated medical benefits. |
| **Q: If we know an employer excludes auto accidents in Michigan are we still allowing them to choose a limit of $250k or $500k?** | **A:** Unlike other PIP allowable expense options, the standard $250k and $500k PIP allowable expense limits do not require insureds to have health coverage that will cover auto accident-related expenses. |
| **Q: Will there be a list of “qualified health coverage” poviders available, sort of like we have with ERISA?** | **A:** No, a list of qualified health coverage providers will not be available. Customers must provide documentation to show their health coverage plan meets the definition of “qualified health coverage”as set forth in the law. |
| **Q: Are there health insurance plans that exclude auto accidents?** | **A:** It is the customer’s responsibility to find out what his or her health insurance plan covers. AAA is unable to verify whether a particular health insurance plan excludes auto accidents. |

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| **Q: Will health insurance now be required to pay secondary after the full PIP portion has been paid?** | **A:** Not necessarily. Each health insurance plan is different. It is the customer’s responsibility to find out what his or her health insurance plan covers. |  |
| **Q: How will this impact other health insurers coverage options/require- ments?** | **A:** We do not know. Our insureds will need to discuss this with their health insurance carriers. |  |
| **Q: What are the requirements for an insured to opt-out of PIP allowable expenses?** | **A:** In order to elect the Medicare opt-out option:   * The PNI must have Medicare parts A and B, **and** * Any resident relatives, including a spouse, must have qualified health   coverage with a deductibe less than $6,000 or have PIP medical coverage under another MI policy |  |
| **Q: What are the requirements for an insured to select the $50k PIP coverage?** | **A:** In order to elect the $50k PIP coverage:   * The PNI must be enrolled in Medicaid, **and** * Any resident relatives, including a spouse, must have qualified health coverage with a deductible less than $6,000, be enrolled in Medicaid or have PIP medical coverage under another MI policy |  |
| **Q: If an insured has Medicaid but there is no qualified health plan in the household, what PIP allowable expense coverage is available?** | **A:** If the PNI has Medicaid and there are no other individuals in the household, they can purchase the $50k allowable expense option. However, if there are resident relatives within the household who are not covered by either Medicaid, Medicare parts A and B, or a qualified health coverage plan, then the named insured must choose either the $250k limit, $500k limit, or  the unlimited allowable expense option. |  |
| **Q: Can an insured opt-out of allowable expenses if they have a**  **qualifying plan at work?** | **A:** Only if the PNI has Medicare parts A and B. |  |
| **Q: For the $6,000 deductible on qualified health coverage, is the new law referring to the co-pay or the co- insurance deductible?** | **A:** This likely depends on the specifics of each health insurance plan. It is the customer’s responsibility to find out what his or her health insurance plan covers. |  |
| **Q: If an insured chooses the unlimited PIP option will they still pay the MCCA fee?** | **A:** Yes, policies with the unlimited option will continue to pay the MCCA fee. The MCCA will continue to reimburse for losses on policies with unlimited PIP coverage. |  |
| **Q: Will we offer higher PIP deductibles beyond $500?** | **A:** Yes, we will offer PIP deductibles that exceed $500. |  |
| **Q: Are there any changes to disability and in-home care?** | **A:** PIP allowable expenses will continue to provide coverage for attendant care, subject to the limits set forth in the law and an insured’s policy limits. If an insured selects PIP allowable expense limits of $50k, $250k, or $500k, he or she can purchase an attendant care rider. This rider will provide additional coverage dollars for attendant care services. However, there is an additional limitation of 56 hours per week relative to family/friend attendant care. |  |

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| **Q: Will the allowable expense limit apply to PIP wage loss benefits?** | **A:** The opt-out and limits apply only to the allowable expense portion of PIP benefits, and not to wage loss. However, with certain elections, insureds may not be eligible for any PIP benefits, including wage loss. |  |
| **Q: If an insured chooses $50k, $250k or $500k for allowable expenses and after a NAF accident their expenses exceed their limits, will they be able to sue the person at fault?** | **A:** Yes, the individual will be able to sue the at-fault person for allowable expenses exceeding his or her elected PIP allowable expense limit if the excess allowable expenses are not payable by any other source, such as the individual’s health insurance. |  |
| **Q: If a customer is at fault for an accident and they choose $50k,**  **$250k or $500k in allowable expense coverage and their medical bills exceed this amount, will they be responsible for the excess medical expenses?** | **A:** If the customer’s PIP allowable expense limits are exhausted, the customer will have to look to other sources of recovery, such as health insurance. |  |
| **Q: Are we going to be able to endorse the new PIP coverage on policies that renew on or before 7/1/2020 instead of having to rewrite the policies?** | **A:** The law specifically says that the new PIP coverage is available on new or renewing policies as of 7/2/2020. Because of this requirement, these policies will probably need to be rewritten. We are looking at making it as easy as possible where you will not have to enter all the information from scratch when rewriting. |  |
| **Q: What are the minimum Bodily Injury limits?** | **A:** As of 7/2/2020, the default BI limit is $250k/$500k. However, insureds may actively elect BI limits of $50k/$100k on a signed BI form and submit it to the insurer. |  |
| **Q: Since the new default limit for Bodily Injury is $250k/$500k, will policies renewing after 7/1/2020 have their BI limits increased to**  **$250/$500k?** | **A:** BI limits will be systematically increased for any policies that have limits below $250k/$500k at the time of renewal, unless the insured signs and submits a BI form to elect limits below $250k/$500k. |  |
| **Q: Will we offer liability with Combined Single Limits?** | **A:** We will not offer combined single limits with Select Auto. With the new Legacy product, we will continue to offer combined single limits. |  |
| **Q: Will we be offering higher limits of under/uninsured coverage?** | **A:** We will be introducing UM/UIM limits of $500k/$1M. |  |
| **Q: Will the fee schedule reduce the cost of the premiums for the insureds?** | A: From the customer’s standpoint they will not see any changes as far as their medical coverage or medical billing. What will occur is we will no longer pay the same amount we currently are for medical services provided. The fee scheulde for medical services will regulate what a health care provider can charge for auto insurance-related injuries. The new fee schedule will allow us to know up front the cost for a service provided, and  will be less than we are paying today. |  |