STATE OF MICHIGAN

COURT OF APPEALS

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KEITH V. HAGLUND, SR., Individually and KEITH HAGLUND, SR., as Next Friend of KEITH HAGLUND, JR.,

Plaintiffs-Appellants,

v No. 116942

HEALTHPLUS OF MICHIGAN, INC.,

Defendant-Appellee.

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Before: Brennan, P.J., and Maher and Neff, JJ.

PER CURIAM.

Cross motions for summary disposition were brought pursuant to MCR 2.116(C)(10). The trial court denied plaintiffs' motion but granted the motion brought by defendant, thereby dismissing plaintiffs' claim for medical benefits under defendant's coordinated group health care plan. Plaintiffs' appeal as of right. We affirm.

Plaintiff, Keith Haglund, Jr. was injured in an automobile accident on April 25, 1988, while operating a vehicle owned by his father. Haglund, who was covered under his father's no-fault automobile insurance policy, was also eligible for medical coverage under the terms of a group health care plan with defendant. The no-fault policy was an uncoordinated one. The health care plan, however, was coordinated and contained the following clause:

> COORDINATION OF BENEFITS AND SUBROGATION
>
> 7.1 COORDINATION
>
> A. If a Member covered by this Contract is also entitled to benefits under any other Group health benefit plan or insurance policy, including automobile insurance, benefits shall not be available under this Contract, whether or not a claim is made for the same, until the benefits of the other Group health plan or insurance policy are exhausted. However, HPM will coordinate benefits with other Group health benefit plans in accordance with the Michigan Coordination of

> Benefits Act (Public Act No. 64 of 1984, as amended) or any other applicable and controlling law.
>
> B. In no event shall any Member through coordination of two (2) or more Group health plans or insurance policies recover more than the actual or reasonable expenses for all services provided.

Although plaintiff's medical expenses have been paid by plaintiff's no-fault insurer, plaintiffs nevertheless argue that defendant is also liable to pay medical expenses under the health care plan because the emphasized portion of the coordination of benefits clause renders that clause applicable only to other group insurance plans or policies and not a privately issued no-fault policy. We disagree.

When interpreting an insurance contract, the contract language must be given its ordinary and plain meaning, not a technical or strained construction. Allstate Ins Co v Miller, 175 Mich App 515, 519; 438 NW2d 638 (1989). If, after reading the whole contract, it could reasonably be understood in different ways--one providing coverage and the other excluding coverage--the contract is ambiguous and should be construed against the drafter. Raska v Farm Bureau Mutual Ins Co, 412 Mich 355, 361-362; 314 NW2d 440 (1982). However, where the contract language is clear, unambiguous and not in contravention of public policy, its terms will be enforced as written. Id. Moreover, construction of an insurance contract containing unambiguous language is a question of law for the court. Jones v Farm Bureau Mutual Ins Co, 172 Mich App 24, 27; 431 NW2d 242 (1988).

Here, the contract states that the coordination of benefits clause is applicable to "any other Group health benefit plan or insurance policy, including automobile insurance." By the use of the word "or", the clause is therefore made applicable to either a group health benefit plan or an insurance policy. The clause specifically refers to automobile insurance and would therefore include a no-fault automobile insurance policy. Moreover, because the word "[g]roup" only precedes the phrase

"health benefit plan" and does not precede the separate phrase "insurance policy," we are unable to construe the clause as applying only to group insurance policies as plaintiffs' suggest. We believe such an interpretation would require a strained construction of the contract. Accordingly, we agree with the trial court and find the coordination of benefits clause to be unambiguous and such that it operates to exclude payment of benefits until the available benefits under plaintiffs' no-fault policy are exhausted.

Although plaintiffs' argue Haefele v Meijer, Inc, 165 Mich App 485; 418 NW2d 900 (1987), supports their position, we cannot agree. The clause at issue in that case was preceded by the heading "WHAT HAPPENS IF YOU ARE COVERED UNDER MORE THAN ONE GROUP HEALTH PLAN?" Further, the specific language of the clause itself was materially different from that of the clause in this case, and coordination was found to be limited to other group health plans only. The clause in this case is clearly distinguishable.

Finally, we are not persuaded by plaintiffs' argument that a denial of their claim renders MCL 500.3109a; MSA 24.13109(1) a legal nullity. Contrary to plaintiffs' reasoning, this statutory provision does not authorize a no-fault insurer to provide greater no-fault coverage in exchange for a higher premium. Rather, in instances where other health and accident coverage exist, the statute authorizes a no-fault insurer to reduce its otherwise existing statutory liability to provide personal protection insurance benefits by requiring it to offer, at reduced premium rates, appropriate deductibles and exclusions related to other health and accident coverage. This serves an important purpose in containing both auto insurance and health care costs, as well as eliminating duplicative recovery. See Federal Kemper Ins Co, Inc, v Health Ins Administration, Inc, 424 Mich 537; 383 NW2d 590 (1986); West Michigan Health Care Network

v Transamerica Ins Corp of America, 167 Mich App 218, 224; 421 NW2d 638 (1988).

Accordingly, we find that summary disposition was properly granted.

Affirmed.

/s/ Thomas J. Brennan
/s/ Richard M. Maher
/s/ Janet T. Neff