

HOUSE BILL No. 5124

October 17, 2017, Introduced by Reps. Greimel, Sowerby, Geiss, Sabo, Lasinski, Byrd, Frederick, Chirkun, Elder, Hertel, Camilleri, Faris, Moss, Sneller, Zemke, Hammoud, LaGrand, Wittenberg, Brinks, Ellison, Liberati, Pagan, Chang, Gay-Dagnogo, Green and Yanez and referred to the Committee on Insurance.

A bill to amend 1956 PA 218, entitled
 "The insurance code of 1956,"
 by amending section 3107 (MCL 500.3107), as amended by 2012 PA 542.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3107. (1) Except as provided in subsection (2), personal
 2 protection insurance benefits are payable for the following:

3 (a) Allowable expenses consisting of all reasonable charges
 4 incurred for reasonably necessary products, services and
 5 accommodations for an injured person's care, recovery, or
 6 rehabilitation. Allowable expenses within personal protection
 7 insurance coverage ~~shall~~**DO** not include either of the following:

8 (i) Charges for a hospital room in excess of a reasonable and
 9 customary charge for semiprivate accommodations, ~~except if~~**UNLESS**
 10 the injured person requires special or intensive care.

1 (ii) Funeral and burial expenses in excess of the amount set
2 forth in the policy, which ~~shall~~**MUST** not be less than \$1,750.00 or
3 more than \$5,000.00.

4 (b) Work loss consisting of loss of income from work an
5 injured person would have performed during the first 3 years after
6 the date of the accident if he or she had not been injured. Work
7 loss does not include any loss after the date on which the injured
8 person dies. Because the benefits received from personal protection
9 insurance for loss of income are not taxable income, the benefits
10 payable for such loss of income ~~shall~~**MUST** be reduced 15% unless
11 the claimant presents to the insurer in support of his or her claim
12 reasonable proof of a lower value of the income tax advantage in
13 his or her case, in which case the lower value ~~shall apply~~.

14 **APPLIES.** For the period beginning October 1, 2012 through September
15 30, 2013, the benefits payable for work loss sustained in a single
16 30-day period and the income earned by an injured person for work
17 during the same period together ~~shall~~**MUST** not exceed \$5,189.00,
18 which maximum ~~shall apply~~**APPLIES** pro rata to any lesser period of
19 work loss. Beginning October 1, 2013, the maximum ~~shall~~**MUST** be
20 adjusted annually to reflect changes in the cost of living under
21 rules prescribed by the ~~commissioner~~**DIRECTOR**, but any change in
22 the maximum ~~shall apply~~**APPLIES** only to benefits arising out of
23 accidents occurring ~~subsequent to~~**AFTER** the date of change in the
24 maximum.

25 (c) Expenses not exceeding \$20.00 per day, reasonably incurred
26 in obtaining ordinary and necessary services in lieu of those that,
27 if he or she had not been injured, an injured person would have

1 performed during the first 3 years after the date of the accident,
2 not for income but for the benefit of himself or herself or of his
3 or her dependent.

4 (2) ~~Both~~ **ALL** of the following apply to personal protection
5 insurance benefits payable under subsection (1):

6 **(A) A PERSON WHO IS 62 YEARS OF AGE OR OLDER MAY WAIVE**
7 **COVERAGE FOR PERSONAL PROTECTION INSURANCE BENEFITS UNDER THIS**
8 **CHAPTER OTHER THAN COVERAGE FOR CHARGES INCURRED FOR REASONABLY**
9 **NECESSARY PRODUCTS, SERVICES, AND ACCOMMODATIONS THAT WOULD BE**
10 **PAYABLE UNDER LONG-TERM CARE INSURANCE, AS THAT TERM IS DEFINED IN**
11 **SECTION 701, OR THAT ARE NECESSARY FOR THE INJURED PERSON'S**
12 **REHABILITATION. AN INSURER SHALL OFFER A REDUCED PREMIUM RATE TO A**
13 **PERSON WHO WAIVES BENEFITS IN PART UNDER THIS SUBDIVISION. A PERSON**
14 **WAIVING BENEFITS IN PART UNDER THIS SUBDIVISION SHALL DO SO ON A**
15 **FORM PROVIDED BY THE INSURER. WAIVER OF BENEFITS IN PART UNDER THIS**
16 **SUBDIVISION APPLIES ONLY TO BENEFITS PAYABLE TO THE PERSON OR**
17 **PERSONS WHO HAVE SIGNED THE WAIVER FORM.**

18 **(B)** ~~(a)~~—A person who is 60 years of age or older and in the
19 event of an accidental bodily injury would not be eligible to
20 receive work loss benefits under subsection (1)(b) may waive
21 coverage for work loss benefits by signing a waiver on a form
22 provided by the insurer. An insurer shall offer a reduced premium
23 rate to a person who waives coverage under this ~~subsection~~
24 **SUBDIVISION** for work loss benefits. Waiver of coverage for work
25 loss benefits applies only to work loss benefits payable to the
26 person or persons who have signed the waiver form.

27 **(C)** ~~(b)~~—An insurer ~~shall~~ **IS** not ~~be~~ required to provide

- 1 coverage for the medical use of marihuana or for expenses related
- 2 to the medical use of marihuana.