

# SENATE BILL No. 346

May 21, 2015, Introduced by Senator YOUNG 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**

1 the injured person requires special or intensive care.

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

5 (b) Work loss consisting of loss of income from work an  
6 injured person would have performed during the first 3 years after  
7 the date of the accident if he or she had not been injured. Work  
8 loss does not include any loss after the date on which the injured  
9 person dies. Because the benefits received from personal protection  
10 insurance for loss of income are not taxable income, the benefits  
11 payable for ~~such~~ loss of income shall be reduced 15% unless the  
12 claimant presents to the insurer in support of his or her claim  
13 reasonable proof of a lower value of the income tax advantage in  
14 his or her case, in which case the lower value shall apply. For the  
15 period beginning October 1, 2012 through September 30, 2013, the  
16 benefits payable for work loss sustained in a single 30-day period  
17 and the income earned by an injured person for work during the same  
18 period together ~~shall~~**MAY** not exceed \$5,189.00, which maximum ~~shall~~  
19 ~~apply~~**APPLIES** pro rata to any lesser period of work loss. Beginning  
20 October 1, 2013, the maximum shall be adjusted annually to reflect  
21 changes in the cost of living under rules prescribed by the  
22 ~~commissioner~~**DIRECTOR**, but any change in the maximum ~~shall apply~~  
23 **APPLIES** only to benefits arising out of accidents occurring  
24 subsequent to the date of change in the 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 of the following apply to personal protection  
5 insurance benefits payable under subsection (1):

6 (a) A person who is 60 years of age or older and in the event  
7 of an accidental bodily injury would not be eligible to receive  
8 work loss benefits under subsection (1)(b) may waive coverage for  
9 work loss benefits by signing a waiver on a form provided by the  
10 insurer. An insurer shall offer a reduced premium rate to a person  
11 who waives coverage under this ~~subsection~~ **SUBDIVISION** for work loss  
12 benefits. Waiver of coverage for work loss benefits applies only to  
13 work loss benefits payable to the person or persons who have signed  
14 the waiver form.

15 (b) An insurer shall ~~not be required to~~ provide coverage for  
16 the medical use of marihuana or for expenses related to the medical  
17 use of marihuana **IF THE USE IS IN COMPLIANCE WITH THE MICHIGAN**  
18 **MEDICAL MARIHUANA ACT, 2008 IL 1, MCL 333.26421 TO 333.26430.**