

CRAIN'S DETROIT BUSINESS

Don't wreck state no-fault law

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Michigan drivers have the best insurance system in the country, but some in the Legislature want to dismantle that system so insurance companies can reap even bigger profits. Proposed bills would dismantle important protections for drivers and shift the costs and burden to Medicaid and the taxpayers. ("*Insurers seek medical fee schedule on car crash claims*," March 28.)

Currently, under Michigan's one-of-a-kind [no-fault law](#), Michigan drivers who are seriously injured in a car crash are guaranteed unlimited lifetime medical benefits, attendant care, wage loss and replacement services.

And injured Michigan drivers receive those benefits regardless of who was at fault in causing the accident.

Senate Bills 0293 and 0294 would gut Michigan no-fault protections, especially unlimited lifetime medical benefits for seriously and catastrophically injured drivers.

The sponsors say these bills will "lower insurance rates." But we heard these promises in 1995, when Michigan's auto accident threshold law became the most difficult in the nation for innocent accident victims to recover under. Even though auto accident lawsuit filings dropped dramatically, insurance rates kept increasing. As did insurance company profits.

I've been a staunch defender of no-fault for my entire legal career. It is one of the very best things we have in our state. It isn't just lawyers, consumer groups, medical groups and hospitals, the AARP, the Coalition Protecting Auto No-Fault and the catastrophically injured who feel this way.

As recently as December 2010, the Insurance Institute of Michigan and Executive Director Pete Kuhnmuensch stated in a news release (since removed from the IIM website) that "the benefits policyholders receive under the no-fault policy in Michigan far outpace benefits available in any other state."

Previously, IIM and Kuhnmuensch have heaped praise on Michigan's no-fault law, saying no-fault personal protection insurance is "the most efficient and effective auto insurance law in the United

States" and that the Michigan law offers "the best no-fault medical benefits of any state." The American Insurance Association has said Michigan's no-fault system "is cost-effectively providing the nation's most extensive auto insurance benefits at affordable rates."

The worthy goal of saving money on insurance premiums can be better achieved by regulating insurance company profits in this state, as they are regulated in almost every other state in the nation, not by eviscerating the best insurance protection in America.

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