

# HOUSE BILL No. 6149

November 8, 1990, Introduced by Rep. Jaye and referred to the Committee on Insurance.

A bill to amend sections 2111a, 3104, and 3107 of Act No. 218 of the Public Acts of 1956, entitled as amended "The insurance code of 1956," section 2111a as added by Act No. 10 of the Public Acts of 1986, section 3104 as amended by Act No. 445 of the Public Acts of 1980, and section 3107 as amended by Act No. 312 of the Public Acts of 1988, being sections 500.2111a, 500.3104, and 500.3107 of the Michigan Compiled Laws; and to add section 2111d.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Section 1. Sections 2111a, 3104, and 3107 of Act No. 218 of  
2 the Public Acts of 1956, section 2111a as added by Act No. 10 of  
3 the Public Acts of 1986, section 3104 as amended by Act No. 445  
4 of the Public Acts of 1980, and section 3107 as amended by Act  
5 No. 312 of the Public Acts of 1988, being sections 500.2111a,

1 500.3104, and 500.3107 of the Michigan Compiled Laws, are amended  
2 and section 2111d is added to read as follows:

3       Sec. 2111a. (1) Except as otherwise provided in this sec-  
4 tion, before April 1, 1986, an insurer shall not charge a terri-  
5 torial base rate for an automobile insurance package policy in a  
6 territory within an urban area ~~which~~ THAT exceeds the territo-  
7 rial base rate ~~which~~ THAT would have been charged by the  
8 Michigan automobile insurance placement facility in that terri-  
9 tory using the weighted average of the base rates charged in each  
10 facility territory by the 5 largest insurer groups, determined by  
11 voluntary net direct automobile insurance car years written in  
12 the state for the calendar year ending December 31, 1984 as  
13 reported to the statistical agent, and based upon the data used  
14 by the facility to determine the facility rates ~~which~~ THAT were  
15 effective January 1, 1986. However, this subsection does not  
16 require an insurer to reduce its territorial base rates within an  
17 urban area ~~which~~ THAT are in effect on ~~the effective date of~~  
18 ~~this section~~ FEBRUARY 28, 1986.

19       (2) On and after April 1, 1986, except as otherwise provided  
20 in subsection (3), an insurer shall not increase in any 12-month  
21 period the rates for automobile insurance package policies in  
22 territories within an urban area by an amount ~~which~~ THAT is  
23 greater than 4% plus the consumer price index. The insurer may  
24 redefine rating territories for automobile insurance package pol-  
25 icies in an urban area; however, such redefinition, at the time  
26 of the redefinition, shall not result in a weighted average rate  
27 in the urban area which is greater than the weighted average rate

1 in the urban area without redefinition of the territories. The  
2 insurer shall not use more than 6 territories within an urban  
3 area. The sum of the percentage increases for an insurer in a  
4 12-month period as permitted under this subsection shall be less  
5 than or equal to 4% plus the consumer price index, and each per-  
6 centage increase shall be computed in accordance with the  
7 following:

8       The difference between the total written premium at the  
9       proposed rates minus the total written premium at cur-  
10      rent rates, divided by total written premium at current  
11      rates, and multiplied by 100.

12      (3) On and after February 1, 1988, an insurer may elect to  
13 be subject to the limitations provided in this subsection instead  
14 of the limitations provided in subsection (2). An insurer elect-  
15 ing to be subject to this subsection shall not increase the rates  
16 for automobile insurance package policies in territories within  
17 an urban area by a percentage ~~which~~ THAT is greater than the  
18 insurer's nonurban average percentage increase, which nonurban  
19 average percentage increase shall be reduced by the sum of the  
20 percentage increases made by the insurer under subsection (2)  
21 during the 12 months immediately preceding the date of the filing  
22 of the proposed increase pursuant to this subsection. The  
23 insurer may redefine rating territories for automobile insurance  
24 package policies in an urban area; however, such redefinition, at  
25 the time of the redefinition, shall not result in a weighted

1 average rate in the urban area ~~which~~ THAT is greater than the  
2 weighted average rate in the urban area without redefinition of  
3 the territories. The insurer shall not use more than 6 territo-  
4 ries within an urban area. An insurer ~~which~~ THAT elects to be  
5 subject to the limitation under this subsection shall remain  
6 subject to this subsection.

7 (4) Any rate filing for automobile insurance package poli-  
8 cies made after December 15, 1985 shall not be modified, changed,  
9 or altered for a period of 6 months after the effective date of  
10 such filing. This subsection shall not prohibit an insurer from  
11 making rate filings at any time that only provide changes to  
12 rates based upon assessments levied against insurers pursuant to  
13 section 3104 or 3330 OR THAT PROVIDES CHANGES TO RATES BASED UPON  
14 SECTION 2111D. Such rate filings shall not be considered rate  
15 filings for purposes of this subsection.

16 (5) As used in this section:

17 (a) "Consumer price index" means the annual average percen-  
18 tage increase in the Detroit consumer price index for all items  
19 for the prior 12-month period as reported by the United States  
20 department of labor and as certified by the commissioner.

21 (b) "Nonurban average percentage increase" means the percen-  
22 tage increase of an insurer's weighted average rate outside of an  
23 urban area, if any, which is obtained by dividing the weighted  
24 average of the proposed rates of the insurer outside an urban  
25 area by the highest weighted average rate of the insurer outside  
26 an urban area on file with the commissioner during the 6 months  
27 immediately preceding the date of the filing of the proposed

1 increase, subtracting 1 from this quotient, and multiplying the  
2 difference by 100. The weights used in obtaining the weighted  
3 averages in this subdivision shall be the written car years of  
4 the insurer in each rating territory. If a negative percentage  
5 is calculated under this subdivision, there shall be no nonurban  
6 average percentage increase under this subdivision.

7 (c) "Urban area" means the area within the boundaries of a  
8 city in this state which has a population of 1,000,000 or more as  
9 determined by the latest of each succeeding federal decennial  
10 census and includes any city located wholly within the boundaries  
11 of a city in this state which has a population of 1,000,000 or  
12 more as determined by the latest of each succeeding federal  
13 decennial census.

14 (6) This section is repealed effective July 1, 1991.

15 SEC. 2111D. (1) BY APRIL 1, 1991, EACH INSURER SHALL FILE  
16 BASE RATES FOR AUTOMOBILE INSURANCE THAT ARE REDUCED TO THE BASE  
17 RATES IN EFFECT IN THIS STATE FOR THAT INSURER THAT WERE FILED ON  
18 NOVEMBER 1, 1990 PLUS AN ADDITIONAL REDUCTION OF NOT LESS THAN  
19 30% OF THE BASE RATE IN EFFECT ON NOVEMBER 1, 1990.

20 (2) BY APRIL 1, 1991, EACH INSURER WHO DID NOT WRITE AUTOMO-  
21 BILE INSURANCE IN THIS STATE ON NOVEMBER 1, 1990 SHALL COMPLY  
22 WITH SUBSECTION (1) BY FILING BASE RATES FOR AUTOMOBILE INSURANCE  
23 THAT DO NOT EXCEED THE WEIGHTED AVERAGE OF THE BASE RATES FILED  
24 ON NOVEMBER 1, 1990 BY THE 10 LARGEST AUTOMOBILE INSURANCE INSUR-  
25 ERS BY MARKET SHARE AND THEN REDUCING THAT RATE BY NOT LESS THAN  
26 30%.

1       (3) ASSESSMENTS FOR THE MICHIGAN CATASTROPHIC CLAIMS  
2 ASSOCIATION, AUTOMOBILE THEFT PREVENTION AUTHORITY, AND THE  
3 MICHIGAN AUTOMOBILE INSURANCE PLACEMENT FACILITY SHALL NOT BE  
4 CONSIDERED IN ACHIEVING THE REDUCTION REQUIRED BY SUBSECTIONS (1)  
5 AND (2).

6       Sec. 3104. (1) An unincorporated, nonprofit association to  
7 be known as the catastrophic claims association, hereinafter  
8 referred to as the association, is created. Each insurer engaged  
9 in writing insurance coverages ~~which~~ THAT provide the security  
10 required by section 3101(1) within this state, as a condition of  
11 its authority to transact insurance in this state, shall be a  
12 member of the association and shall be bound by the REVISED plan  
13 of operation of the association. Each insurer engaged in writing  
14 insurance coverages ~~which~~ THAT provide the security required by  
15 section 3103(1) within this state, as a condition of its author-  
16 ity to transact insurance in this state, shall be considered a  
17 member of the association, but only for purposes of assessments  
18 under subsection (7)(d). Except as expressly provided in this  
19 section, the association shall not be subject to any laws of this  
20 state with respect to insurers, but in all other respects the  
21 association shall be subject to the laws of this state to the  
22 extent that the association would be were it an insurer organized  
23 and subsisting under chapter 50.

24       (2) The association shall provide and each member shall  
25 accept indemnification for 100% of the amount of ultimate loss  
26 sustained under personal protection insurance coverages in excess  
27 of \$250,000.00 in each loss occurrence. As used in this section,

1 "ultimate loss" means the actual loss amounts ~~which~~ THAT a  
2 member is obligated to pay and ~~which~~ THAT are paid or payable  
3 by the member, and shall not include claim expenses. An ultimate  
4 loss is incurred by the association on the date ~~which~~ THAT the  
5 loss occurs.

6 (3) An insurer may withdraw from the association only upon  
7 ceasing to write insurance ~~which~~ THAT provides the security  
8 required by section 3101(1) in this state.

9 (4) An insurer whose membership in the association has been  
10 terminated by withdrawal shall continue to be bound by the  
11 REVISED plan of operation, and upon withdrawal, all unpaid premi-  
12 ums ~~which~~ THAT have been charged to the withdrawing member  
13 shall be payable as of the effective date of the withdrawal.

14 (5) An unsatisfied net liability to the association of an  
15 insolvent member shall be assumed by and apportioned among the  
16 remaining members of the association as provided in the plan of  
17 operation. The association shall have all rights allowed by law  
18 on behalf of the remaining members against the estate or funds of  
19 the insolvent member for sums due the association.

20 (6) ~~When~~ IF a member has been merged or consolidated into  
21 another insurer or another insurer has reinsured a member's  
22 entire business ~~which~~ THAT provides the security required by  
23 section 3101(1) in this state, the member and successors in  
24 interest of the member shall remain liable for the member's  
25 obligations.

26 (7) The association shall do all of the following on behalf  
27 of the members of the association:

1 (a) Assume 100% of all liability as provided in subsection  
2 (2).

3 (b) Establish procedures by which members shall promptly  
4 report to the association each claim ~~which~~ THAT, on the basis  
5 of the injuries or damages sustained, may reasonably be antici-  
6 pated to involve the association if the member is ultimately held  
7 legally liable for the injuries or damages. Solely for the pur-  
8 pose of reporting claims, the member shall in all instances con-  
9 sider itself legally liable for the injuries or damages. The  
10 member shall also advise the association of subsequent develop-  
11 ments likely to materially affect the interest of the association  
12 in the claim.

13 (c) Maintain relevant loss and expense data relative to all  
14 liabilities of the association and require each member to furnish  
15 statistics, in connection with liabilities of the association, at  
16 the times and in the form and detail as may be required by the  
17 REVISED plan of operation.

18 (d) In a manner provided for in ~~the~~ A REVISED plan of  
19 operation, calculate and charge to members of the association a  
20 total premium sufficient to cover the expected losses and  
21 expenses of the association ~~which~~ THAT the association will  
22 likely incur during the period for which the premium is  
23 applicable. The premium shall include an amount to cover  
24 incurred but not reported losses for the period and may be  
25 adjusted for any excess or deficient premiums from previous  
26 periods. Excesses or deficiencies from previous periods may be  
27 fully adjusted in a single period or may be adjusted over several



1 periods in a manner provided for in the REVISED plan of  
2 operation. Each member shall be charged an amount equal to that  
3 member's total earned car years of insurance providing the secur-  
4 ity required by section 3101(1) or 3103(1), or both, written in  
5 this state during the period to which the premium applies, multi-  
6 plied by the average premium per car AND ADJUSTED TO REFLECT THE  
7 MEMBER'S INSUREDS WHO HAVE SELECTED COVERAGE UNDER  
8 SECTION 3107(1)(A)(ii) AND THE AMOUNT OF COVERAGE SELECTED. The  
9 average premium per car shall be the total premium calculated  
10 divided by the total earned car years of insurance providing the  
11 security required by section 3101(1) or 3103(1) written in this  
12 state of all members during the period to which the premium  
13 applies. As used in this subdivision, "car" includes a  
14 motorcycle.

15 (e) Require and accept the payment of premiums from members  
16 of the association as provided for in the REVISED plan of  
17 operation. The association shall do either of the following:

18 (i) Require payment of the premium in full within 45 days  
19 after the premium charge.

20 (ii) Require payment of the premiums to be made periodically  
21 to cover the actual cash obligations of the association.

22 (f) Receive and distribute all sums required by the opera-  
23 tion of the association.

24 (g) Establish procedures for reviewing claims procedures and  
25 practices of members of the association. If the claims proce-  
26 dures or practices of a member are considered inadequate to  
27 properly service the liabilities of the association, the

1 association may undertake or may contract with another person,  
2 including another member, to adjust or assist in the adjustment  
3 of claims for the member on claims ~~which~~ THAT create a poten-  
4 tial liability to the association and may charge the cost of the  
5 adjustment to the member.

6 (8) In addition to other powers granted to it by this sec-  
7 tion, the association may do all of the following:

8 (a) Sue and be sued in the name of the association. A judg-  
9 ment against the association shall not create any direct liabil-  
10 ity against the individual members of the association. The asso-  
11 ciation may provide for the indemnification of its members, mem-  
12 bers of the board of directors of the association, and officers,  
13 employees, and other persons lawfully acting on behalf of the  
14 association.

15 (b) Reinsure all or any portion of its potential liability  
16 with reinsurers licensed to transact insurance in this state or  
17 approved by the commissioner.

18 (c) Provide for appropriate housing, equipment, and person-  
19 nel as may be necessary to assure the efficient operation of the  
20 association.

21 (d) Pursuant to the REVISED plan of operation, adopt reason-  
22 able rules for the administration of the association, enforce  
23 those rules, and delegate authority, as the board considers nec-  
24 essary to assure the proper administration and operation of the  
25 association consistent with the REVISED plan of operation.

26 (e) Contract for goods and services, including independent  
27 claims management, actuarial, investment, and legal services,

1 from others within or without this state to assure the efficient  
2 operation of the association.

3 (f) Hear and determine complaints of a company or other  
4 interested party concerning the operation of the association.

5 (g) Perform other acts not specifically enumerated in this  
6 section ~~which~~ THAT are necessary or proper to accomplish the  
7 purposes of the association and ~~which~~ THAT are not inconsistent  
8 with this section or the REVISED plan of operation.

9 (9) A board of directors is created, hereinafter referred to  
10 as the board, which shall be responsible for the operation of the  
11 association consistent with the REVISED plan of operation and  
12 this section.

13 (10) The REVISED plan of operation shall provide for all of  
14 the following:

15 (a) The establishment of necessary facilities.

16 (b) The management and operation of the association.

17 ~~(c) A preliminary premium, payable by each member in pro-~~  
18 ~~portion to its total first year premium, for initial expenses~~  
19 ~~necessary to commence operation of the association.~~

20 (C) ~~(d)~~ Procedures to be utilized in charging premiums,  
21 including adjustments from excess or deficient premiums from  
22 prior periods.

23 (D) ~~(e)~~ Procedures governing the actual payment of premi-  
24 ums to the association.

25 (E) ~~(f)~~ Reimbursement of each member of the board by the  
26 association for actual and necessary expenses incurred on  
27 association business.

1 (F) ~~(g)~~ The investment policy of the association.

2 (G) ~~(h)~~ Any other matters required by or necessary to  
3 effectively implement this section.

4 (11) ~~Not more than 30 days after the effective date of this~~  
5 ~~section, the commissioner shall convene an organizational meeting~~  
6 ~~of the board. The board shall be initially composed of 5 members~~  
7 ~~of the association appointed by the commissioner to serve as~~  
8 ~~directors, and the commissioner or a designated representative of~~  
9 ~~the commissioner serving as an ex officio member of the board~~  
10 ~~without vote. The initial board and each successor~~ EACH board  
11 shall include members ~~which~~ THAT would contribute a total of  
12 not less than 40% of the total premium calculated pursuant to  
13 subsection (7)(d). Each director shall be entitled to 1 vote.  
14 The initial term of office of a director shall be 2 years.

15 (12) As part of the REVISED plan of operation, the board  
16 shall adopt rules providing for the composition and term of suc-  
17 cessor boards to the initial board, consistent with the member-  
18 ship composition requirements in subsections (11) and (13).  
19 Terms of the directors shall be staggered so that the terms of  
20 all the directors do not expire at the same time and so that a  
21 director does not serve a term of more than 4 years.

22 (13) The board shall consist of 5 directors and the commis-  
23 sioner shall be an ex officio member of the board without vote.

24 (14) Each director shall be appointed by the commissioner  
25 and shall serve until that member's successor is selected and  
26 qualified. The chairperson of the board shall be elected by the

1 board. A vacancy on the board shall be filled by the  
2 commissioner consistent with the REVISED plan of operation.

3 (15) After the board is appointed, the board shall meet as  
4 often as the chairperson, the commissioner, or the REVISED plan  
5 of operation shall require, or at the request of any 3 members of  
6 the board. The chairperson shall retain the right to vote on all  
7 issues. Four members of the board shall constitute a quorum.

8 (16) An annual report of the operations of the association  
9 in a form and detail as may be determined by the board shall be  
10 furnished to each member.

11 (17) ~~Not more than 60 days after the initial organizational~~  
12 ~~meeting of the board,~~ BY NOVEMBER 1, 1990, the board shall  
13 submit to the commissioner for approval a REVISED proposed plan  
14 of operation THAT IS consistent with the objectives and provi-  
15 sions of this section ~~, which~~ AND THAT shall provide for the  
16 economical, fair, and nondiscriminatory administration of the  
17 association and for the prompt and efficient provision of  
18 indemnity. If a REVISED plan is not submitted ~~within this~~  
19 ~~60 day period~~ BY NOVEMBER 1, 1990, then the commissioner, after  
20 consultation with the board, shall formulate and place into  
21 effect a REVISED plan consistent with this section.

22 (18) The REVISED plan of operation, unless approved sooner  
23 in writing, shall be considered to meet the requirements of this  
24 section if it is not disapproved by written order of the commis-  
25 sioner within 30 days after the date of its submission. Before  
26 disapproval of all or any part of the REVISED proposed plan of  
27 operation, the commissioner shall notify the board in what

1 respect the REVISED plan of operation fails to meet the  
2 requirements and objectives of this section. If the board fails  
3 to submit a SECOND revised plan of operation ~~which~~ THAT meets  
4 the requirements and objectives of this section within the 30-day  
5 period, the commissioner shall enter an order accordingly and  
6 shall immediately formulate and place into effect a REVISED plan  
7 consistent with the requirements and objectives of this section.

8       (19) The REVISED proposed plan of operation or amendments to  
9 the REVISED plan of operation shall be subject to majority  
10 approval by the board, ratified by a majority of the membership,  
11 having a vote, with voting rights being apportioned according to  
12 the premiums charged in subsection (7)(d) and shall be subject to  
13 approval by the commissioner.

14       (20) Upon approval by the commissioner and ratification by  
15 the members of the REVISED plan submitted, or upon the promulga-  
16 tion of a REVISED plan by the commissioner, each insurer autho-  
17 rized to write insurance providing the security required by sec-  
18 tion 3101(1) in this state, as ~~defined~~ PROVIDED in this sec-  
19 tion, shall be bound by and shall formally subscribe to and par-  
20 ticipate in the REVISED plan approved as a condition of maintain-  
21 ing its authority to transact insurance in this state.

22       (21) The association shall be subject to all the reporting,  
23 loss reserve, and investment requirements of the commissioner to  
24 the same extent as would a member of the association.

25       (22) Premiums charged members by the association shall be  
26 recognized in the rate-making procedures for insurance rates in  
27 the same manner that expenses and premium taxes are recognized.

1 (23) The commissioner or an authorized representative of the  
2 commissioner may visit the association at any time and examine  
3 any and all the association's affairs.

4 (24) ~~This section shall take effect on July 1, 1978.~~ The  
5 association shall not have liability for losses occurring before  
6 ~~the effective date of this section~~ JULY 1, 1978.

7 Sec. 3107. (1) ~~Personal~~ EXCEPT AS PROVIDED IN  
8 SUBSECTION (2), PERSONAL protection insurance benefits are pay-  
9 able for the following:

10 (a) ~~Allowable~~ AS PROVIDED IN SUBPARAGRAPHS (i) AND (ii),  
11 ALLOWABLE expenses consisting of all reasonable charges incurred  
12 for reasonably necessary products, services, and accommodations  
13 for an injured person's care, recovery, or rehabilitation.  
14 Allowable expenses within personal protection insurance coverage  
15 shall not include charges for a hospital room in excess of a rea-  
16 sonable and customary charge for semiprivate accommodations  
17 except ~~when~~ IF the injured person requires special or intensive  
18 care, or before October 1, 1988 charges for funeral and burial  
19 expenses in excess of \$1,000.00. Beginning October 1, 1988, ben-  
20 efits for funeral and burial expenses shall be payable in the  
21 amount set forth in the policy ~~but~~ WHICH shall not be less than  
22 \$1,750.00 ~~nor~~ OR more than \$5,000.00. ON FORMS APPROVED BY THE  
23 COMMISSIONER, AN INSURER SHALL OFFER IN WRITING THE FOLLOWING  
24 COVERAGES AND AN INSURED SHALL SELECT IN WRITING 1 OF THE FOLLOW-  
25 ING COVERAGES:

26 (i) COVERAGE FOR ALLOWABLE EXPENSES FOR ALL REASONABLE  
27 CHARGES INCURRED FOR REASONABLY NECESSARY PRODUCTS, SERVICES, AND

1 ACCOMMODATIONS FOR AN INJURED PERSON'S CARE, RECOVERY, OR  
2 REHABILITATION.

3       (ii) COVERAGE FOR ALLOWABLE EXPENSES FOR ALL REASONABLE  
4 CHARGES UP TO A LIMIT AS SELECTED BY THE INSURED THAT SHALL NOT  
5 BE LESS THAN \$250,000.00, FOR REASONABLY NECESSARY PRODUCTS,  
6 SERVICES, AND ACCOMMODATIONS FOR AN INJURED PERSON'S CARE, RECOV-  
7 ERY, OR REHABILITATION. AN INSURER SHALL OFFER COVERAGE UNDER  
8 THIS SUBPARAGRAPH AT APPROPRIATELY REDUCED PREMIUM RATES AND  
9 SUBJECT TO PRIOR APPROVAL BY THE COMMISSIONER. COVERAGE UNDER  
10 THIS SUBPARAGRAPH SHALL APPLY ONLY TO BENEFITS PAYABLE TO THE  
11 PERSON NAMED IN THE POLICY, THE SPOUSE OF THE INSURED, AND ANY  
12 RELATIVE OF EITHER DOMICILED IN THE SAME HOUSEHOLD.

13       (b) Work loss consisting of loss of income from work an  
14 injured person would have performed during the first 3 years  
15 after the date of the accident if he or she had not been injured  
16 and expenses not exceeding \$20.00 per day, reasonably incurred in  
17 obtaining ordinary and necessary services in lieu of those that,  
18 if he or she had not been injured, an injured person would have  
19 performed during the first 3 years after the date of the acci-  
20 dent, not for income but for the benefit of himself or herself or  
21 of his or her dependent. Work loss does not include any loss  
22 after the date on which the injured person dies. Because the  
23 benefits received from personal protection insurance for loss of  
24 income are not taxable income, the benefits payable for such loss  
25 of income shall be reduced 15% unless the claimant presents to  
26 the insurer in support of his or her claim reasonable proof of a  
27 lower value of the income tax advantage in his or her case, in



1 which case the lower value shall apply. Beginning March 30,  
2 1973, ~~the~~ benefits payable for work loss sustained in a single  
3 30-day period and ~~the~~ income earned by an injured person for  
4 work during the same period IN AN AMOUNT THAT together shall not  
5 exceed \$1,000.00, which maximum shall apply pro rata to any  
6 lesser period of work loss. Beginning October 1, 1974, the maxi-  
7 mum shall be adjusted annually to reflect changes in the cost of  
8 living under rules prescribed by the commissioner but any change  
9 in the maximum shall apply only to benefits arising out of acci-  
10 dents occurring subsequent to the date of change in the maximum.

11 (2) A PERSON MAY WAIVE COVERAGE FOR WORK LOSS BENEFITS FOR  
12 HIMSELF OR HERSELF ONLY. AN INSURER SHALL OFFER A REDUCED PRE-  
13 MIUM RATE TO A PERSON WHO WAIVES COVERAGE UNDER THIS SUBSECTION  
14 FOR WORK LOSS BENEFITS.