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The Honorable State Representative Peter Lund, Committee Chair
Michigan House of Representatives Insurance Committee
374 Capitol Building
Lansing, MI 48909

Re: Opposition to House Bill 4936

Chairman Lund and Members of the House Insurance Committee:

I have worked in the rehabilitation field for 33 years, all but 6 of those in the state of Ohio, which currently does not have Auto No-fault Insurance. My patients with traumatic and catastrophic injuries related to automobile accidents generally had to sue the other driver to obtain the additional medical treatment needed after their initial medical coverage through their automobile insurance was exhausted. This process was never a short one and I experienced patient after patient who could not obtain treatment in a timely manner, whose families lost everything in the process of waiting for their day in court. Families who lost jobs because their loved one needed constant supervision, who used all of their resources, including medical insurance coverage, lost their savings, homes, etc. trying to meet the needs of their loved ones. Michigan has the ability to save a system that supports the needs of those individuals catastrophically injured in automobile accidents.

Over my career, my interactions with the insurance companies have shown me significant flaws in how they operate. Many insurance companies fail to control what their adjusters approve or deny. The inconsistencies are not just between the companies either. Adjusters for the same company often vary greatly and often contribute to the abuse of the system. Reasonable and necessary are two words that are at the core of auto no-fault, but some adjusters chose to view them in a different light. Some examples of the inconsistencies among insurance companies I have experienced are…

- One adjuster might only approve to work and medical appointments, while another gives the client transportation everywhere they want to go.
- An adjuster will pay for high cost residential programming for one client, while the next client who needs a residential program has no option but to live unsafely in an apartment while paying part of her rent.
- One company has had an adjuster pay for three times weekly counseling for a client 28 years post injury, while a newly injured client with different adjuster has all of their counseling requests denied.
- One adjuster will pay for questionable retraining and tools, while a different adjuster states that schooling is not an option for their client.

Until the insurance companies show a good faith effort in maximizing the efficiency and consistency of how they operate, auto no-fault should remain as it is. The inability to control costs on their end should not mean the destruction of the best auto insurance in the nation. Please keep Michigan as a leader in the care and rehabilitation of catastrophically injured individuals so that we don't end up with a system of lengthy legal battles and financial ruin, much like Ohio has.