

## HB 4612 VIOLATES THE SACRED TENET OF CONTRACT LAW

I speak on behalf of all catastrophically injured survivors of auto accidents in the State of Michigan, which includes myself.

Although HB 4612 leaves the illusion of grandfathering the existing auto no fault law for those already on claim, grandfathering “lifetime care”, and throwing in the phrase “reasonably necessary” in only one clause is meaningless when the guts of the bill retroactively requires all claimants, those existing, and those yet to be filed, to abide by the new rules governing attendant care caps [hours and salary ], deductibles and more. Furthermore, existing claims will now be forced to accept cursory care contributing fee schedules, caps on home modifications, limits on vehicle modifications, and more. We paid a higher premium for top quality care with our national insurers. They shook our hands and happily accepted our premiums. After we were injured, reserves were established. Sunk costs are sunk. That[s the risk of an insurer.

The insurance premium represents a fair exchange based on what the insurance company estimated as a fair premium for the benefits it provides between a Michigan citizen and a national company. Even those benefits that are not linked to a fair rate charged, such as some government pension plans it needs to be clear that these pensions are GIFTS with terms that can be changed.

Union pensions are contracts that can only be cut by agreement or bankruptcy, and ERISA requires employers that promise pensions to fund those pensions because promises are binding.

The sacred tenet of contract law is broken with the proposed auto no fault reform because existing clients will be affected by attendant care caps, fee schedules, and more.

Arnie Grinblatt, Auto Accident survivor since 2001

Member of CAPP

Age 54, Resident of West Bloomfield