

# HOUSE BILL No. 5235

September 27, 2005, Introduced by Rep. Gosselin 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 1991 PA 191.

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

1           Sec. 3107. (1) ~~Except as provided in subsection (2), personal~~  
2 **PERSONAL** protection insurance benefits are payable for the  
3 following:

4           (a) Allowable expenses consisting of all reasonable charges  
5 incurred for reasonably necessary products, services, and  
6 accommodations for an injured person's care, recovery, or  
7 rehabilitation. Allowable expenses within personal protection  
8 insurance coverage shall not include charges for a hospital room in  
9 excess of a reasonable and customary charge for semiprivate

1 accommodations except if the injured person requires special or  
2 intensive care, or for funeral and burial expenses in the amount  
3 set forth in the policy which shall not be less than \$1,750.00 or  
4 more than \$5,000.00. **TRANSPORTATION COSTS INCURRED BY AN INJURED**  
5 **PERSON IN OBTAINING CARE, RECOVERY, OR REHABILITATION UNDER THIS**  
6 **SUBDIVISION SHALL BE REIMBURSED AT THE GREATER OF 30 CENTS PER MILE**  
7 **OR THE RATE THE INSURER REIMBURSES ITS OWN EMPLOYEES FOR MILEAGE.**

8 (b) ~~Work~~ **EXCEPT AS PROVIDED IN SUBSECTION (2), WORK** loss  
9 consisting of loss of income from work an injured person would have  
10 performed during the first 3 years after the date of the accident  
11 if he or she had not been injured. Work loss does not include any  
12 loss after the date on which the injured person dies. Because the  
13 benefits received from personal protection insurance for loss of  
14 income are not taxable income, the benefits payable for such loss  
15 of income shall be reduced 15% unless the claimant presents to the  
16 insurer in support of his or her claim reasonable proof of a lower  
17 value of the income tax advantage in his or her case, in which case  
18 the lower value shall apply. ~~Beginning March 30, 1973~~ **FOR THE**  
19 **PERIOD BEGINNING OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005,** the  
20 benefits payable for work loss sustained in a single 30-day period  
21 and the income earned by an injured person for work during the same  
22 period together shall not exceed ~~-\$1,000.00~~ **\$4,239.00**, which  
23 maximum shall apply pro rata to any lesser period of work loss.  
24 Beginning October 1, ~~1974~~ **2005**, the maximum shall be adjusted  
25 annually to reflect changes in the cost of living under rules  
26 prescribed by the commissioner but any change in the maximum shall  
27 apply only to benefits arising out of accidents occurring

1 subsequent to the date of change in the maximum.

2 (c) Expenses not exceeding \$20.00 per day, reasonably incurred  
3 in obtaining ordinary and necessary services in lieu of those that,  
4 if he or she had not been injured, an injured person would have  
5 performed during the first 3 years after the date of the accident,  
6 not for income but for the benefit of himself or herself or of his  
7 or her dependent.

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