

SENATE BILL NO. 575

October 11, 2023, Introduced by Senators MOSS, CAVANAGH and ANTHONY and referred to the Committee on Finance, Insurance, and Consumer Protection.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 3107c (MCL 500.3107c), as added by 2019 PA 22.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3107c. (1) Except as provided in sections 3107d and
2 3109a, and subject to subsection (5), for an insurance policy that
3 provides the security required under section ~~3101(1)~~**3101** and is
4 issued or renewed after July 1, 2020, the applicant or named
5 insured shall, in a way required under section 3107e and on a form
6 approved by the director, select 1 of the following coverage levels

1 for personal protection insurance benefits under section
2 3107(1) (a) :

3 (a) A limit of \$50,000.00 per individual per loss occurrence
4 for any personal protection insurance benefits under section
5 3107(1) (a). The selection of a limit under this subdivision is only
6 available to an applicant or named insured if both of the following
7 apply:

8 (i) The applicant or named insured is enrolled in Medicaid. ~~7~~
9 ~~as that term is defined in section 3157.~~

10 (ii) The applicant's or named insured's spouse and any relative
11 of either who resides in the same household has qualified health
12 coverage, as that term is defined in section 3107d, is enrolled in
13 Medicaid, or has coverage for the payment of benefits under section
14 3107(1) (a) from an insurer that provides the security required by
15 section ~~3101(1)~~. **3101**.

16 (b) A limit of \$250,000.00 per individual per loss occurrence
17 for any personal protection insurance benefits under section
18 3107(1) (a) .

19 (c) A limit of \$500,000.00 per individual per loss occurrence
20 for any personal protection insurance benefits under section
21 3107(1) (a) .

22 (d) No limit for personal protection insurance benefits under
23 section 3107(1) (a) .

24 (2) The form required under subsection (1) must do all of the
25 following:

26 (a) State, in a conspicuous manner, the benefits and risks
27 associated with each coverage option.

28 (b) Provide a way for the applicant or named insured to mark
29 the form to acknowledge that he or she has read the form and

1 understands the options available.

2 (c) Allow the applicant or named insured to mark the form to
3 make the selection of coverage level under subsection (1).

4 (d) Require the applicant or named insured to sign the form.

5 (3) If an insurance policy is issued or renewed as described
6 in subsection (1) and the applicant or named insured has not made
7 an effective selection under subsection (1) but a premium or
8 premium installment has been paid, there is a rebuttable
9 presumption that the amount of the premium or installment paid
10 accurately reflects the level of coverage applicable to the policy
11 under subsection (1).

12 (4) If an insurance policy is issued or renewed as described
13 in subsection (1), the applicant or named insured has not made an
14 effective selection under subsection (1), and a presumption under
15 subsection (3) does not apply, subsection (1)(d) applies to the
16 policy.

17 (5) The coverage level selected under subsection (1) applies
18 to the named insured, the named insured's spouse, and a relative of
19 either domiciled in the same household, and any other person with a
20 right to claim personal protection insurance benefits under the
21 policy.

22 (6) If benefits are payable under section 3107(1)(a) under 2
23 or more insurance policies, the benefits are only payable up to an
24 aggregate coverage limit that equals the highest available coverage
25 limit under any 1 of the policies.

26 (7) This section applies for a transportation network company
27 vehicle, but an applicant or named insured that is a transportation
28 network company shall only select limits under either subsection
29 (1)(b), (c), or (d). As used in this subsection:

1 (a) "Transportation network company" means that term as
2 defined in section 2 of the limousine, taxicab, and transportation
3 network company act, 2016 PA 345, MCL 257.2102.

4 (b) "Transportation network company vehicle" means that term
5 as defined in section 3114.

6 (8) An insurer shall offer, for a policy that provides the
7 security required under section ~~3101(1)~~**3101** to which a limit under
8 subsection (1)(a) to (c) applies, a rider that will provide
9 coverage for attendant care in excess of the applicable limit.

10 **(9) As used in this section, "Medicaid" means a program for**
11 **medical assistance established under subchapter XIX of the social**
12 **security act, 42 USC 1396 to 1396w-7.**