



IT'S TIME TO FIX MICHIGAN'S BROKEN, OUTDATED AUTO NO-FAULT SYSTEM

For the last five years, Michigan has ranked No. 1 as the most expensive auto insurance in the country, according to data compiled by Insure.com. The average car insurance premium in Michigan is \$2,239, which is nearly twice the national average and twice as expensive as the average premium in neighboring Ohio, Indiana and Wisconsin.

Our auto "no-fault" system was first enacted in 1973 and hasn't been significantly updated since. It's broken. It's outdated. And for too many Michiganders, auto insurance is like having a second mortgage.

The high cost of auto insurance in Michigan has led to nearly 20 percent of drivers in the state going without car insurance because they can't afford it.

The biggest driver of the high cost of auto insurance in Michigan: every driver is required to purchase unlimited, lifetime medical benefits with their auto insurance. Michigan is the only state in the nation that puts such an expensive burden on its drivers.

Commonsense reforms are needed to bring down the rising cost of auto insurance. Those reforms include:

- Cracking down on fraud and abuse, which costs the average Michigan family hundreds of dollars each year in additional premiums.
- Stopping medical providers from charging dramatically more for the same medical procedure than other forms of insurance.
- Giving consumers a choice in the level of medical coverage they have with their auto insurance, so they can choose a plan that's best for them and their family.

When it comes to the
cost of car insurance,
Michigan is No. 1 for
all the wrong reasons.

IAM is a government affairs and public information association that represents auto, home and business insurance companies and related organizations operating in Michigan.



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