

FOR IMMEDIATE RELEASE: Wednesday, Feb. 13, 2019

Contact: Ryan Hermes, **Byrum & Fisk Advocacy Communications**, 517-333-1606

Detroit Mayor Mike Duggan testifies before Michigan Senate Insurance and Banking Committee Wednesday

Committee's second hearing on auto no-fault reform focused on giving consumers a choice

LANSING – The **Michigan Senate Insurance and Banking Committee** held its second hearing on auto no-fault reform Wednesday and focused on Personal Injury Protection (PIP) and giving drivers a choice in the level of medical coverage they are required to purchase with their auto insurance policies. Detroit Mayor **Mike Duggan** joined representatives from the **Mackinac Center for Public Policy** and the **Michigan Association of Independent Insurance Agents** to discuss the importance of PIP choice.

“Michigan is the only state in the nation that mandates drivers purchase unlimited, lifetime medical benefits with their auto insurance policies, which is one of the leading causes of Michigan’s highest-in-the-nation auto insurance premiums,” said **Tricia Kinley**, executive director of the **Insurance Alliance of Michigan**. “We applaud members of the Senate Insurance and Banking Committee for taking a closer look at a critical reform that could lower the cost of auto insurance for drivers across the state, as well as Mayor Duggan, the Mackinac Center and the Michigan Association of Independent Insurance Agents for lending their voices to the need for reform. Having a diverse set of stakeholders working toward a common goal will increase the chances for success and lower the cost of auto insurance for Michigan drivers.”

In 2017, it was estimated that enacting real reforms to Michigan’s auto no-fault system, including offering consumers a choice in their level of medical coverage, could save drivers upwards of \$1 billion a year. Right now, drivers are forced to purchase unlimited, lifetime medical benefits with their auto insurance.

Other meaningful reforms to reduce the cost of auto insurance include cracking down on fraud and abuse and stopping medical providers from dramatically overcharging for medical procedures.

Wednesday’s hearing was the second held by the committee as it researches ways to reduce the cost of auto insurance for Michigan drivers. The first hearing, held on Feb. 6, focused on a report by the Citizens Research Council of Michigan on the medical costs associated with Michigan’s auto no-fault law.

“The Legislature has made it clear from day one of the 2019-2020 legislative session that reforming Michigan’s broken, outdated auto no-fault system is a top priority, and these hearings in the Senate Insurance and Banking Committee show lawmakers are making good on that pledge,” Kinley said.

#

IAM is a government affairs and public information association that represents auto, home and business insurance companies and related organizations operating in Michigan. Learn more about IAM and its members on [Facebook](#), [Twitter](#) or at www.insurancealliancemichigan.org.