

HOUSE BILL No. 5316

November 13, 2003, Introduced by Reps. Robertson and Julian 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),~~
2 ~~personal~~ **Personal** protection insurance benefits are payable for
3 the following:

4 (a) ~~Allowable~~ **Subject to section 3109a, allowable** expenses
5 consisting of all reasonable charges incurred for reasonably
6 necessary products, services, and accommodations for an injured
7 person's care, recovery, or rehabilitation. Allowable expenses
8 within personal protection insurance coverage shall not include
9 charges for a hospital room in excess of a reasonable and
10 customary charge for semiprivate accommodations except if the

1 injured person requires special or intensive care, or for funeral
2 and burial expenses in the amount set forth in the policy which
3 shall not be less than \$1,750.00 or more than \$5,000.00.

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

25 (c) Expenses not exceeding \$20.00 per day, reasonably
26 incurred in obtaining ordinary and necessary services in lieu of
27 those that, if he or she had not been injured, an injured person

1 would have performed during the first 3 years after the date of
2 the accident, not for income but for the benefit of himself or
3 herself or of his or her dependent.

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

13 Enacting section 1. This amendatory act does take effect
14 unless Senate Bill No. _____ or House Bill No. 5314 (request
15 no. 04909'03) of the 92nd Legislature is enacted into law.