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News from the Michigan Association for Justice

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## **Mayor Duggan's Insurance Plan Fails to Protect Michigan Drivers, Auto Accident Victims**

LANSING— Michigan Association for Justice (MAJ) President Brian McKeen issued the following statement in response to the auto No-Fault reform plan announced today by Detroit Mayor Mike Duggan and House Speaker Tom Leonard:

“MAJ is committed to working with the legislature, insurance industry, and health care providers to bring about bipartisan, comprehensive solutions to skyrocketing auto insurance costs. We support common-sense changes to Michigan's No-Fault insurance system that will lower rates without taking away the medical care auto accident victims need, especially those catastrophically injured. Unfortunately, the Mayor's plan does not accomplish these goals and appears to be nothing more than a giveaway to insurance companies.

The Mayor's plan raises more questions than answers especially its claim to 'guaranteed rate reductions' which is no guarantee at all. Under this plan, insurance companies can ask the Insurance Commissioner to invalidate rate reductions. It also fails to specify how lower rates will be accomplished without shifting responsibility for medical care costs to the taxpayers. The Duggan-Leonard proposal makes broad promises while ensuring that the only losers in this deal are Michigan drivers and auto accident victims.”

MAJ supports the [bipartisan 'Fair and Affordable No-Fault Reform' legislation](#) announced earlier this month by a group of 15 State House members from both parties.

The Fair and Affordable No-Fault Reform legislation would:

- Rein in medical costs related to auto injuries by setting reasonable fee schedules that are 185 percent of Workers Compensation and set attendant care limits that accommodate the nature of a person's injury;
- Stop non-driving related factors such as credit score, gender and job title from unfairly impacting auto insurance rates;
- Bring transparency to the Michigan Catastrophic Claims Association by making its ratemaking data available to the public; and,
- Aggressively tackle fraud and claims handling abuse by creating a state fraud authority.

MAJ and the Coalition Protecting Auto No-Fault (CPAN) are urging lawmakers to support the comprehensive Fair and Affordable legislation, which maintains lifetime injury coverage for accident survivors while still making significant cost reductions to Michigan's auto insurance system.

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*The **Michigan Association for Justice**, formerly the Michigan Trial Lawyers Association (MTLA), is a trade association of over 1,600 plaintiff's attorneys and staff, with offices in Lansing, Michigan.*