

ADVOCACY DAY 2025
UNITED METHODISTS AND FRIENDS
CRISIS IN CARE RESULTING FROM
2019 AUTO NO-FAULT REFORM

United Methodists and friends care about people who have been catastrophically injured in car crashes. As an unintended consequence of the 2019 auto no-fault reform, Michigan has a crisis in care. The Social Principles of the United Methodist Church “call on governments, businesses, churches, and civil society institutions to work cooperatively to ensure that every human being has access to medical services and treatment.”¹

In 2019, the Michigan Legislature passed a law aimed at lowering auto insurance premiums. The law included a provision that cuts reimbursement for the care of survivors by nearly 50%. This made it economically impossible for long-term care companies – called post-acute care providers – to provide the high-level care needed by crash survivors with serious injuries. Yet, no data has shown significant auto insurance cost savings.

Professional care crisis: People with traumatic brain injuries and other life-long afflictions have been forced into hospitals or nursing homes, where they cannot receive adequate care. The nonprofit public health institute MPH² found that as of April 2022, the reimbursement cut had led to more than 7,000 patient discharges, a loss of more than 4,000 healthcare jobs, and the closure of 24 businesses. At least 15 people have died.

Family care crisis: In some cases, survivors are prescribed 24/7 care, with assistance needed for a breathing tube, mobility, toileting and feeding. Previously, family members could be a major part of the care team. With the loss of post-acute care providers, such family care is essential. The new law capped paid time for family providers to 56 hours per week, often at a pay rate lower than minimum wage, adding significant economic hardship for families.

Impacts all Michiganders who drive and ride in vehicles. This year’s legislation will be similar to last year’s bipartisan bills³ and would:

- (1) **Adjust the reimbursement limits for certain long-term care services** that safeguard access to qualified, expert care. Establish rates for long-term services that ensure consistency, predictability, and reliability –and reduce unnecessary lawsuits.
- (2) **Increase the hours that family caregivers can be part of the care team and compensate them fairly.** This will give individuals, families, and physicians more control over the best treatment options.

United Methodist and friends stand with crash survivors and their families. We ask Michigan’s legislators to pass these important policy changes.

¹ ¶163 Section A, “Health Care.”

² https://www.scribd.com/document/587177804/Provider-Survey-Phase-II-Report-8-9-2022#from_embed

³ In 2024 these were HB 4884 UR review; SB 530 no-fault treatment and services for injuries; revise fee schedule and family provided attendant care limitations; SB531 no-fault; cross-reference to amended section of the insurance code; SB 575 no-fault; cross reference in the insurance code.