

Legislative Analysis



NO-FAULT, WORKER'S COMP, AND MEDICAL MARIHUANA

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Senate Bill 321 (Substitute H-1)
Senate Bill 933 as introduced
Sponsor: Sen. Rick Jones
House Committee: Judiciary
Senate Committee: Judiciary

Complete to 12-2-12

A SUMMARY OF SENATE BILLS 321 & 933 AS REPORTED BY HOUSE COMMITTEE

Senate Bill 321 would specify that an automobile insurance company would not be required to provide coverage under personal (injury) protection insurance (PIP) benefits for the medical use of marihuana or for expenses related to that use.

Senate Bill 933 would specify that an employer, under the worker's compensation law, would not have to reimburse, or cause to be reimbursed, for charges for medical marihuana treatment

Senate Bill 321

Under the no-fault automobile insurance law, PIP insurance benefits are payable for allowable expenses related to an injured person's care, recovery, and rehabilitation; lost wages during the first three years after the accident per statutory limitations; and replacement services capped at \$20 per day for such things as cooking and cleaning for the first three years after the accident.

The bill would amend the Insurance Code (MCL 500.3107) to specify that an automobile insurance company would not be required to provide coverage under personal protection insurance (PIP) benefits for the medical use of marihuana or for expenses related to that use.

The bill would also make a technical, non-substantive, change to update the cap on benefits payable for work loss. Instead of listing the maximum amount allowed beginning in 1973, when the no-fault law took effect, the bill would reference the maximum amount allowed for the period beginning Oct. 1, 2012, to Sept. 30, 2013. The listed amount would be adjusted annually to reflect cost of living changes beginning October 1, 2013 instead of cost of living changes beginning in 1974.

("Allowable expenses" covered under PIP benefits include reasonable charges for reasonably necessary products, services, and accommodations for the injured person's care, recovery, or rehabilitation but do not include hospital charges for other than a semiprivate room, with some exceptions, or funeral and burial expenses in excess of the policy amount but not less than \$1,750 or more than \$5,000.)

Senate Bill 933

Senate Bill 933 would add a new section to the Worker's Disability Compensation Act (MCL 418.315A) to specify that an employer would not have to reimburse, or cause to be reimbursed, for charges for medical marihuana treatment, regardless of the requirements in Section 315. Section 315 pertains to an employer's responsibility to furnish medical care for injuries arising out of and in the course of employment.

FISCAL IMPACT:

The bills would have no significant fiscal impact on state and local governments.

POSITIONS:

The Office of Financial and Insurance Regulation indicated support for the bills. (11-29-12)

A representative of the Coalition for a Safer Detroit testified in support of the bills. (11-29-12)

The Insurance Institute of Michigan indicated support for the bills. (11-29-12)

The Michigan Business & Professional Association indicated support for Senate Bill 933. (11-29-12)

The Michigan Chamber indicated support for Senate Bill 933. (11-29-12)

The NFIB indicated support for Senate Bill 933. (11-29-12)

The Michigan Manufacturers Association indicated support for 933. (11-29-12)

A representative of the Genesee County Compassion Club testified in opposition to the bills. (11-29-12)

A representative of Precinct 2 of the City of Lapeer testified in opposition to Senate Bill 321. (11-29-12)

Legislative Analyst: Susan Stutzky
Fiscal Analyst: Paul Holland

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.