

**SUBSTITUTE FOR
SENATE BILL NO. 321**

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), personal
2 protection insurance benefits are payable for the following:

3 (a) Allowable expenses consisting of all reasonable charges
4 incurred for reasonably necessary products, services and
5 accommodations for an injured person's care, recovery, or
6 rehabilitation. Allowable expenses within personal protection
7 insurance coverage shall not include ~~charges~~ **EITHER OF THE**

8 **FOLLOWING:**

9 (i) **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 (ii) **FUNERAL** and burial expenses in **EXCESS OF** the amount set
3 forth in the policy which shall not be less than \$1,750.00 or more
4 than \$5,000.00.

5 (b) Work loss consisting of loss of income from work an
6 injured person would have performed during the first 3 years after
7 the date of the accident if he or she had not been injured. Work
8 loss does not include any loss after the date on which the injured
9 person 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,~~ **FOR THE PERIOD BEGINNING OCTOBER 1, 2010**
16 **THROUGH SEPTEMBER 30, 2011,** the benefits payable for work loss
17 sustained in a single 30-day period and the income earned by an
18 injured person for work during the same period together shall not
19 exceed ~~\$1,000.00~~ **\$4,290.00**, which maximum shall apply pro rata to
20 any lesser period of work loss. Beginning October 1, ~~1974~~ **2011**, the
21 maximum shall be adjusted annually to reflect changes in the cost
22 of living under rules prescribed by the commissioner but any change
23 in the maximum shall apply only to benefits arising out of
24 accidents occurring subsequent to the date of change in the
25 maximum.

26 (c) Expenses not exceeding \$20.00 per day, reasonably incurred
27 in obtaining ordinary and necessary services in lieu of those that,

1 if he or she had not been injured, an injured person would have
2 performed during the first 3 years after the date of the accident,
3 not for income but for the benefit of himself or herself or of his
4 or her dependent.

5 **(2) BOTH OF THE FOLLOWING APPLY TO PERSONAL PROTECTION**
6 **INSURANCE BENEFITS PAYABLE UNDER SUBSECTION (1):**

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

16 **(B) AN INSURER SHALL NOT BE REQUIRED TO PROVIDE COVERAGE FOR**
17 **THE MEDICAL USE OF MARIHUANA OR FOR EXPENSES RELATED TO THE MEDICAL**
18 **USE OF MARIHUANA.**