



## Paralyzed Veterans of America

Michigan Chapter

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Plymouth, MI 48170

June 16, 2021

Senator Tom Barrett  
P.O. Box 30036  
Lansing, MI 48909-7536  
sentbarrett@senate.michigan.gov

**RE: Without a fix to the PA-21 Fee Schedule which takes effect July 1, Michigan Paralyzed Veterans will lose access to needed care.**

I am writing this on behalf of the Michigan Paralyzed Veterans of America (MPVA) to express my concern over access to care that current and future accident victims will have for their recovery, rehabilitation, safety, and health if the new no-fault fee schedule issue is not immediately addressed.

To prevent a statewide catastrophic loss of specialized care and services, MPVA urges you and the Michigan Legislature to address this problem by passing legislation, HB 4992, SB 314 (and its counterpart HB 4486), any of which will offer viable solutions to remedy this pending health crisis facing our state.

We implore the legislature to act so thousands of vulnerable citizens are not displaced and left with no practical or equitable substitution for the specialized care they are receiving in residential and community-based settings. These specialized services are not available in nursing homes or other long-term care settings and the staff in these new settings have not been trained to meet the unique needs of people with traumatic injuries and in some cases, resulting behavioral issues.

Medical providers, particularly those who care for the most severely injured, such as spinal cord injury victims, brain injury victims, and those with other complicated and comprehensive medical care needs, are now faced with the reality that, after July 1, 2021, their reimbursement amount could be cut by as much as 45%.

Any small, mid-sized, or large business likely could not survive on 45% less revenue than the year before.

Our members were promised lifetime PIP benefits at the time of our automobile accident and have not been given the whole truth about no-fault reform. Yes, technically one can say that people still have lifetime PIP benefits, but the long-term care benefits will be paid at 55 percent going forward, which removes true access to long-term care. These benefits do not have value if there is not a care provider to accept the extremely low payment.

MPVA members paid their premiums on time, in some cases for decades, before an auto accident disrupted their lives. At the time, their no-fault coverage guaranteed that all necessary medical care in case of a catastrophic auto accident would be provided for as long as it was needed.

Their policies required reimbursement for all reasonably necessary attendant care services regardless of the identity of the attendant care provider and all reasonably necessary products, services, and accommodations regardless of any government-imposed fee schedule. These were the benefits in place of the date of their accident.

Now our State government is retroactively altering those rights in violation of the pre-existing contractual obligations between the injured individual and their insurance company. MPVA believes that the retroactive application of these two main provisions to individuals injured in an automobile crash prior to the date the new law went into effect is unlawful.

MPVA members know firsthand, from personal experience, that recovery from a spinal cord injury (SCI) involves significant challenges and important choices; and where an individual goes for treatment can make all the difference. Our members have been able to pursue physical therapy, at clinics of their choosing, without artificially imposed caps on visits typical of most insurance plans. This has allowed our members to have access to the necessary resources, expertise, and equipment needed to build strength, gain function and mobility, and maximize independence.

Because of Michigan No-fault, we have more accredited facilities, programs, and professionals here in Michigan than anywhere else in the United States. Just as important, a cutting-edge spinal cord/brain injury rehabilitation industry has been created allowing Michigan to become a spinal cord/brain injury rehabilitation center of excellence which has allowed our citizens to return to their communities as productive citizens. All of this is truly our legacy that everyone in Michigan should embrace.

The Michigan model for no fault auto insurance was designed to make patient care the priority. What is the value of such a policy if it does not have the coverage and resources you will need if you are seriously injured in an automobile accident and have nowhere to go? It has no value. Therefore, it is insulting for insurance companies to take citizens money and give them no value in return.

Long-term care providers do not just provide care to people seriously injured in an automobile accident, but to others in the disability community like seniors, veterans, and persons with other serious injuries, such as COVID-19. The loss of these services will impact far more than auto injury patients.

It is not too late for legislators to “*Fix the Fix*” — to ensure this new plan will protect the thousands of current auto accident victims and so many yet to be injured in the future. President Kennedy, while speaking before the American Newspaper Publishers Association, stated the following, “*An error doesn’t become a mistake until you refuse to correct it.*” Let take what President Kennedy said in 1961 and apply it to the debate currently taking place regarding the unattended consequences that were created with the passage of Public Act 21 of 2019.

Legislation (HB 4992, SB 314 & HB 4486) has been introduced that would resolve the reimbursement provisions for rehabilitation clinics and other non-Medicare compensable services. These fee schedule fixes create rate schedules that will allow Michigan providers to continue providing services and will not leave catastrophically injured without the care that they relied on. Each provide a technical fix to the fee schedule problem and do not make sweeping changes to law.

MPVA has no interest in putting insurance companies out of business. They provide a valuable service. But we owe it to all Michigan residents who have been and/or will be seriously injured in automobile crashes in the future to find meaningful solutions that maintains the integrity of the program while at the same time reduce rates.

For MPVA, health care is not a political issue. In many cases, it is literally a matter of life and death. We are unconcerned with partisan arguments or political affiliations. We simply want our legislators to get it right. They need to be honest about what is working, what needs fixing and how to fix it.

Legislators need to solve the inequity that PA 19 of 2019 has created that could force some post-acute rehabilitation clinics, home health agencies, transportation services, and other non-Medicare compensable services across the State out of business or unable to accept patients covered under auto no-fault if the fee schedule reimbursement are not properly addressed.

The services provided by these facilities and providers are heavily relied on by accident victims and their families. Without them, both current and future patients will have severely limited access to the quality treatment they not only need but deserve.

The Michigan Legislature has the power to right this wrong while still maintaining the objectives set forth with the auto insurance reform of 2019. For survivors of catastrophic auto accidents waiting is not an option!

Sincerely,

*Michael F Harris*

Michael F Harris, President  
Michigan Paralyzed Veterans of America

CC: Representative Jason Wentworth  
Representative Daire Rendon  
Representative Ryan Berman  
Representative Robert Bezotte  
Representative TC Clements  
Representative Matt Hall  
Representative Bronna Kahle  
Representative Beau LaFave  
Representative Luke Meerman  
Representative Bryan Posthumus  
Representative Mark Tisdal  
Representative Brenda Carter  
Representative Sarah Anthony  
Representative Kyra Harris Bolden  
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Senator Mallory McMarrow