



Michigan Personal Injury Protection (PIP) Medical Coverage with Qualifying Health Coverage (QHC)

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Introduction

Michigan law allows individuals to purchase reduced purchasing personal injury protection (PIP) medical coverage, or even opt-out, if the individual has qualifying health coverage (QHC). For this reason, employers with employees in Michigan may be asked to confirm whether the coverage meets QHC requirements.

See the following from the MI Dept of Insurance FAQ

– <https://www.michigan.gov/difs/industry/insurance/faq/ins-agents-faq>

What is Qualified Health Coverage (QHC) and how will I know if I have it?

Generally speaking, QHC ensures auto accident injuries will be covered. Having QHC means either Medicare Parts A & B (this could also be a Medicare Advantage plan) or a health insurance policy that doesn't limit or exclude auto accident injuries and has a deductible of \$6,000 or less.

QHC Documentation/Letter

Health insurers and health plans must provide individuals with a document that lets them know if their policy is considered QHC. Individuals may need to contact their employer's benefit office or insurance company to obtain this documentation before making a certification to the auto insurance company that the individual has QHC.

According to guidance from the Michigan Department of Insurance and Financial Services, a compliant document should contain the following information:

1. The full names and dates of birth of all individuals covered under the policy or plan; and
2. A statement: (a) as to whether the coverage provided constitutes "qualified health coverage" as defined in MCL 500.3107d(7)(b)(i), or (b) that the coverage: 1) does not exclude coverage for motor vehicle accidents; and 2) has an annual deductible of \$6,000.001 or less per covered individual.

If an individual believes they have QHC and are unable to obtain a letter from their health insurer or employer, they may contact DIFS Monday through Friday from 8 a.m. to 5 p.m. at 833-ASK-DIFS (833-275-3437).

It is not perfectly clear whether the notice must be distributed annually, or whether the employer can just distribute it upon request.

Additional Guidance

Guidance on the required content of the letter may be found here:

https://www.michigan.gov/difs/-/media/Project/Websites/difs/Bulletins/2023/Bulletin_2023-17-INS.pdf?rev=dbdf508db8d54075acae419a7265ac9c

https://www.michigan.gov/documents/autoinsurance/FIS-PUB_6350_685280_7.pdf

A sample letter may be found here:

https://www.michigan.gov/-/media/Project/Websites/autoinsurance/PDFs/Sample_Qualified_Health_Coverage_Letter.pdf?rev=3a92d98a1f7b4637b089225017f420e6

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