

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Bulletin 2021-38-INS

In the matter of:

Applicability of MCL 500.3157

**Issued and entered
this 11th day of October 2021
by Anita G. Fox
Director**

Under the Insurance Code, personal protection insurance (PIP) benefits are payable for “[a]llowable expenses consisting of reasonable charges incurred for reasonably necessary products, services and accommodations for an injured person's care, recovery, or rehabilitation.” MCL 500.3107(1)(a). This bulletin addresses the applicability of the fee schedule in MCL 500.3157 to certain products, services, and accommodations that are allowable expenses under PIP coverage.

For dates of service after July 1, 2021, MCL 500.3157 establishes a “fee schedule” applicable to treatment (i.e., products, services, accommodation, or training) that is or can be rendered by physicians, hospitals, clinics, and other like persons. MCL 500.3157 also, by its express terms, applies to attendant care, and therefore governs the amount payable to any persons providing attendant care.

Products, services, and accommodations that are not provided by physicians, hospitals, clinics, or other like persons, but which are otherwise compensable as “allowable expenses” under PIP, are not subject to MCL 500.3157. They are instead subject to MCL 500.3107(1)(a), which requires that these charges be “reasonable.” Examples of products, services, and accommodations not subject to MCL 500.3157 but subject to MCL 500.3107(1)(a) include but are not limited to: services related to guardianship or conservatorship; vehicle modifications; home modifications; computer equipment and supplies; generators; non-emergency medical transportation; non-prescription drugs and over-the-counter medical supplies; and certain case management services.¹

To the extent an auto insurer has applied MCL 500.3157 to products, services, and accommodations that are payable under PIP but not subject to MCL 500.3157 as explained in this bulletin, the insurer must re-process any such claim immediately and instead apply MCL 500.3107(1)(a). A provider who believes their bills have been processed incorrectly should contact the insurer to request reconsideration.

Any questions regarding this bulletin should be directed to:

¹ Whether a case management service is subject to MCL 500.3107(1)(a) instead of MCL 500.3157 will depend on whether it is payable under Medicare.

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/s/

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