



PLUMBERS AND PIPEFITTERS LOCAL #333 FRINGE BENEFIT FUNDS



June 2020

*****Important Notice About Your Medical Coverage for Auto Accidents*****

Dear Participant:

We previously notified you in early 2020 about Michigan's updated no-fault auto insurance law, which will allow you to buy reduced medical coverage, or opt-out of that coverage altogether. The updated no fault laws will take effect on **Wednesday, July 1, 2020**. Thus, it is important that you review the following summary of how the new laws work with your health coverage before you make any changes to your auto-insurance policy after July 1st:

First, the new no-fault law requires you to have medical insurance coverage elsewhere for auto accident related injuries in order to reduce or opt-out of coverage. **As previously communicated to you in past notices, your Union sponsored health insurance Plan will NOT provide coverage for injuries sustained in automobile accidents, as of January 1, 2020.** This exclusion will operate just like the number of other exclusions (such as work-related injuries that are covered by workers compensation) within your Plan. Your Union sponsored insurance plan is regulated by federal, not state, law. As a result, **coverage for claims resulting from automobile accidents will be excluded as noted above – and the new Michigan law does not change that.**

The exclusion will not apply to motorcycles, if they are licensed for road use, since they are covered by a different Michigan law. For motorcycles, your Plan will continue to offer secondary coverage – meaning that your motorcycle insurance or an at fault driver's car insurance pays any medical claims first and then this Plan pays covered claims as a secondary insurer. If no other policy is available, **this Plan will only pay 50 % of medical expenses related to a motorcycle accident.**

In case of medical claims related to your recreational vehicles (such as quad sports and snowmobiles, which are **NOT** licensed for road use), you will continue to be covered by the Health and Welfare Plan for medical claims arising from an accident involving those off-road vehicles (when no car is involved). However, if you incur medical claims as a result of an accident involving any type of vehicle that is licensed for road use in Michigan (has a license plate or equivalent road use permit) then you must look to your no-fault or similar insurance carrier for coverage for medical claims resulting from such accident.

IF YOU MUST RENEW OR PURCHASE NO FAULT INSURANCE AT ANY POINT IN THE FUTURE, BE SURE TO INCLUDE MEDICAL COVERAGE IN YOUR AUTO AND MOTORCYCLE POLICY, SO THAT YOU DO NOT RUN THE RISK OF HAVING NO COVERAGE FOR MEDICAL CLAIMS RESULTING FROM AN AUTOMOBILE OR OTHER MOTOR VEHICLE ACCIDENT. Please be sure that you inform your insurance agent about these coverage exclusions and limitations in your Union sponsored Plan.

We hope that this information is helpful to you, but if you have additional questions, please call the Health Fund's administrator.

Sincerely,

The Board of Trustees

Plumbers and Pipefitters Local 333 Health and Welfare Fund