

## Michigan Supreme Court – Key Judicial Decisions Affecting Auto No-Fault

### 1. *Cameron v ACIA*, 476 Mich 55 (2006)

In this case, the Supreme Court overruled nearly 20 years of case law and held that the one year back rule applicable to enforcing payment of medical expenses, is a rule that applies to everyone, including mentally incompetent patients and minors. Prior law had protected this class of patients and their providers by allowing them to file legal action seeking payment of medical expenses after expiration of the one year back rule.

### 2. *Devillers v ACIA*, 473 Mich 562 (2005)

In this case, the Court overruled nearly 20 years of case law and held that the one year back rule is not suspended from the date a provider submits a bill for payment until payment is formally denied, as had been the rule for many years. This “time suspension” principle had been routinely relied upon by most medical providers. As a result of this decision, an enormous amount of unpaid medical expenses suddenly became uncollectible because the Court also applied its decision retroactively.

### 3. *AOPP v ACIA*, 472 Mich 91 (2005)

In this memorandum opinion, the Court gave blanket authorization to no-fault insurance companies to use medical bill auditing in the context of a decision that set forth no protections for medical providers and placed no limitations on the right of no-fault insurance companies to conduct medical bill auditing.

### 4. *MCC v Farmers*, 475 Mich 363 (2006)

In this case, the Court overruled the Court of Appeals thereby permitting the implementation of an earlier ruling by the Michigan Insurance Commissioner that authorized no-fault insurance companies to sell “managed care endorsements.” These endorsements would have the effect of converting the current “fee for services” no-fault system into a “managed care” system for any consumer who purchased such a policy.

*Continued on next page*

5. ***Griffith v State Farm*, 472 Mich 521 (2005)**

In this case, the Court overturned many years of prior law and held that catastrophically injured patients who would otherwise require institutionalization but for the willingness of family members to provide care at home, could no longer recover the cost of non-special dietary food provided at home, even though the cost of this identical food would be recoverable if the injured person chose to be institutionalized.

6. ***Jarrad v Integon*, 472 Mich 207 (2005)**

In this case, the Court overturned approximately 20 years of law and held that workers who purchased coordinated no-fault policies could have their no-fault wage loss benefits reduced by wage continuation benefits paid to workers under collective bargaining agreements, thereby resulting in the loss of hundreds of dollars in wage disability benefits that had been previously payable to a disabled worker.

7. ***Muci v State Farm*, 478 Mich 178 (2007)**

In this case, the Court significantly diminished the power of trial court judges to place limitations on the power of insurance companies to hire and use biased “independent medical examiners” to examine patients for purposes of cutting off no-fault benefits.

8. ***Burris v Allstate*, 480 Mich 1081 (2008)**

In this case, the Court allowed insurance companies to deny attendant care benefits to seriously injured patients cared for at home by their families if the insurer could show that the family care givers rendered the care without the expectation of being paid, even though the insurance company would be responsible to pay for such attendant care if it were provided by commercial agencies.

9. ***Kreiner v Fischer*, 471 Mich 109 (2004)**

In this case, the Court departed from almost three decades of no-fault tort jurisprudence by redefining the threshold element of “serious impairment of body function” in such a way as to prohibit totally innocent victims with very serious and long term injuries from recovering noneconomic damages from the negligent and drunk drivers who caused those injuries. As a consequence of this decision, the Michigan no-fault system has lost that critically important “balance” which it had maintained for over 30 years and which is essential to its continued viability.