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***Detroit Free Press* investigative series shines spotlight on Michigan's broken auto no-fault system**

*Three-part series shows widespread fraud and abuse, highlights
need for reform*

LANSING – A three-part investigative series by the *Detroit Free Press* into Michigan's auto no-fault laws reveals a broken, outdated system that is in desperate need of reform. The series found widespread instances of fraud and abuse, highlighted the reasons behind Michigan's skyrocketing auto insurance premiums and looked at possible fixes.

"This dogged piece of investigative journalism by the *Detroit Free Press* shows why Michigan's broken auto no-fault system is in dire need of reform," said **Pete Kuhnmuench**, executive director of the **Insurance Alliance of Michigan**. "Drivers in Michigan can no longer afford the expensive mandate of paying for unlimited, lifetime medical benefits – something no other state requires drivers to do."

The *Free Press* found "runaway medical bills" contributes to the high cost of auto insurance in Michigan. Auto insurance is the only type of insurance in Michigan that doesn't have a fee schedule, which are maximum prices medical providers can charge insurance companies for procedures. Because of this, auto insurance companies pay three to four times more for the same procedure than health insurance companies. Putting a fee schedule in place will reduce auto insurance medical costs, and thereby reduce premiums.

Other reforms that could bring down the cost of auto insurance in Michigan include: providing consumers a choice of different levels of medical benefits and creating a fraud authority to investigate fraud and abuse.

You can read the entirety of the three part series [here](#).

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The Insurance Alliance of Michigan (IAM) is a statewide government affairs and public information association representing the property/casualty insurance industry in Michigan.