


MIRS July 15

\$25M For Brain Injury Clinics Signed Into Law 'Mirage Of A Fix,' Providers Say

The \$25 million set aside for brain injury clinics that say they're taking a revenue hit under the state's new auto insurance law "is no solution" and "a mirage of a fix," according to critics of the bill signed into law by the Governor today.

Gov. Gretchen [WHITMER](#) put her signature to  [SB 0028](#) today, which was born out of an idea first attributed to House Speaker Jason [WENTWORTH](#) (R-Clare) to provide some cash to brain injury clinics and those providing care to catastrophically injured auto crash victims (See "[Speaker Crafting \\$10M Fund For Clinics That Take Auto Injury Victims](#)," 6/22/21).


Under the state's revised auto insurance law, at the beginning of July those providers were mandated by law to charge 200% of Medicare rates or, if that isn't applicable, 55% of their current rates, amounting to a 45% cut that many providers have said would destroy their businesses.


The idea behind Wentworth's proposal was to provide some funding contingent on the providers showing they can demonstrate financial losses as a result of the reduced rates.

The House proposal originally put the fund at \$10 million but the Senate upped it to \$25 million, which the House agreed to in sending the Sen. Jim [STAMAS](#) (R-Midland)-sponsored bill to the Governor (See "[K-12 Budget Goes To Governor; Rest Shelved Indefinitely](#)," 6/30/21).

But Tom **JUDD**, president of the Michigan Brain Injury Provider Council (MBIPC), said today the law "is a mirage of a solution -- look closely, and you see it's a program that unnecessarily utilizes taxpayer dollars for a problem created by a draconian government-mandated price fix."




He argued the funding provided won't be available for months and won't close the funding gaps providers are facing.

And Devin **HUTCHINGS**, president of the Coalition to Protect Auto No-Fault (CPAN), said  [SB 0028](#) "merely adds bureaucratic hurdles -- at taxpayer expense -- to a new job-killing, patient-upending fee schedule.

" [SB 0028](#) is no solution. Rather, it's a smoke screen hiding the fact that the insurance industry and its lobbyists are the primary beneficiaries," Hutchings added later in the press release.

The MBIPC cited four other bills as the "narrow, technical fix needed for a permanent solution" that they said have not gotten a hearing.

 Those bills are [HB 4486](#), sponsored by Rep. Douglas [WOZNIAK](#) (R-Shelby Twp.);

 [HB 4992](#), sponsored by Rep. Ryan [BERMAN](#) (R-Union Lake);  [HB 5125](#), sponsored by Rep. Julie [ROGERS](#) (D-Kalamazoo); and  [SB 0314](#), sponsored by Sen. Curtis [HERTEL](#) Jr. (D-East Lansing) (See "[Providers For Injured Auto Wreck Victims Shutting Down; Berman Drops Bill](#)," 6/11/21).

The funding is to be allocated by the Michigan Department of Insurance and Financial Services (DIFS), as Whitmer said previously she tasked DIFS with making the bill work after it had expressed initial concerns with the legislation (See "[Gov To DIFS: Make Speaker's \\$10M Fund For Brain Injury Clinics 'Workable,'](#)" 6/29/21).

"I am committed to ensuring that catastrophically injured Michiganders can access the care they need to recover," Whitmer said in a statement. "We must continue to work together to ensure that our most vulnerable individuals have access to the care they are entitled to under their insurance policies."