



NO-FAULT REFORM FULLY INSURED PLANS

With a fully insured plan, the employer pays primary on most auto-related medical claims, whenever they occur—on personal time, or while at work; in a personal or a company-owned vehicle. There is not an option on your plan to exclude auto-related medical claims.

We recommend that your employees continue to purchase the highest level of Personal Injury Protection (PIP) coverage they can afford through their auto policy.

This recommendation is for several reasons:

- If your employee waives or limits the PIP coverage on their auto policy, they are also waiving or limiting several coverages that a health insurance plan does not cover such as:
 - In home attendant care
 - Door-to-door medical appointment transportation
 - Lost wages replacement
 - Home & vehicle modifications
 - Long term cognitive and speech therapy
 - Health plans typically have a limit to how many they will pay for each year
- For those plans with high deductibles the employee would be responsible for paying the deductible out of pocket before their health insurance would kick in and pay
- In catastrophic claims where the person is injured and unable to return to work, they would eventually lose their employer-sponsored health insurance

Many of the top health insurance providers, including Blue Cross Blue Shield, have stated that they anticipate minimal rate increase to fully insured plans in 2020 because the cost of auto-related medical claims are already built in.

We do not think that you can require your employees to take a certain PIP coverage level or make it mandatory that they don't exclude PIP from their personal auto insurance policies.

**Questions? Reach out to your Kapnick service team, or our general email address:
info@kapnick.com**