

Medicare vs PIP

Under the new law, as of July 2, 2020 Senior Citizens will have the option to opt-out from no-fault allowable expense PIP benefits if they meet the following conditions:

- 1) the person is covered under Part A and B of Medicare
- 2) the person's spouse and any resident has Medicare "qualified health coverage," or has no-fault PIP coverage under a separate policy.

Seniors who select this option can NOT receive coverage through the Michigan Assigned Claims Plan (MACP) when injured as an occupant of a motor vehicle, but are likely entitled to the MACP (where benefits are capped at \$250,000 and not as inclusive as No-Fault) when injured as a non-occupant of a motor vehicle and there is no other insurer in the line of priority from which to recover PIP benefits.

Prior to opting out, we recommend you review the following chart to understand what benefits are not available under Medicare, but may be needed should you be severely injured in an auto accident. Please see below for the differences:

AUTO NO-FAULT LIFETIME PIP COVERAGE VS MEDICARE

COVERAGE	AUTO-NO FAULT	MEDICARE
Post-Acute Care/Sub-acute Rehabilitation	Yes -100% as long as needed	Limited-100 days at 80%
Long-term Care/Custodial Care	Yes - 24/7 if needed	Not covered
Residential Treatment Programs	Yes	Not covered
Case Management Services	Yes	Not covered
Attendant Care (assistance w/care and supervision)	Yes	Limited home health aide 2x3/wk for 4/hr during recovery
Guardianship or Conservators	Yes	Not covered
Transportation Services (medical)	Yes	Not covered
Replacement Services (in home assistance)	Yes-Up to 3 years \$20/day	Not covered
Physical, speech other Outpatient Therapy (may need therapy for months or years)	Yes	Limited covers 80% capped at \$2040/yr*
Occupational Therapy	Yes	Limited covers 80% capped at \$2040/yr*
Durable Medical Equipment	Yes	Limited covers 80%
Massage Therapy	Yes	Not covered
Home Modifications for accessibility	Yes	Limited
Vehicle Modification	Yes	Not covered
Alternative Pain Management	Yes	Not covered
Specialty Assistive Devices	Yes	Limited
Wage Loss - if senior is still working	Yes-Up to 3 years	Not covered

*2019 limits according to Medicare.gov

OTHER CONSIDERATIONS:

- Not only may care options be limited since not all specialists participate with Medicare, but if a Senior Citizen has a previous medical condition, the length of time needed to heal can be lengthened.
- Important to note: if a Senior Citizen receives a settlement from an accident claim, Medicare is entitled to recover the cost of any medical expenses paid to the claimant.