

CPAN: Protecting Michigan's auto no-fault insurance

I have spoken over the years about the Coalition Protecting Auto No-Fault (CPAN) and as we begin 2010, CPAN's significance may be more important than ever. There continues to be a push by narrow groups to eliminate some of the fundamental elements of Michigan's auto no-fault insurance that make it the nation's premier auto accident insurance program. To win this ongoing fight, we need to rally behind CPAN.


Over the past 37 years, no-fault has provided numerous auto accident victims with needed resources to help them return to leading productive lives. For those catastrophically injured, the system has provided lifelong care and protections for victims, their families, and Michigan citizens in general. No other auto insurance program in the nation can match Michigan's program when it comes to insurance for *people*.


Attacks on the system have come in a variety of areas; however, some of the most troubling attacks argue that the costs of insurance are too high and that the easiest way to reduce costs is to limit the medical benefits and liability. When we dig a little deeper, we actually find that the overall cost of Michigan's medical and liability benefits are about average of what drivers across the nation pay for *significantly less* benefits.

In the Insurance Information Institute's study of auto insurance costs for 2006, the costs to Michigan drivers were about average for medical and liability coverage (\$5 more than the national average of \$489 per year). This average cost buys the Michigan drivers the best coverage in the nation. No other state is remotely close in quality. It is a free market system that works, unlike other states that are simply shifting costs of auto accidents to the tax payers and/or are tied up in protracted litigation. The real cost issues with Michigan's no-fault system are in the costs of collision coverage and the costs for coverage in urban centers.

The Insurance Information Institute's study also looked at the cost of collision and comprehensive coverage. For these coverages combined, Michigan's costs are the third most expensive in the nation, behind only Washington D.C. and Louisiana. Collision on its own is the second most expensive in the nation. The discussion should not focus on limiting our medical benefits to cut costs, but rather, the focus should be to determine why collision coverage cost so much!

Michigan auto no-fault insurance protection

 INSURANCE FOR PEOPLE	•••••	INSURANCE FOR THINGS
Medical & Liability		Comprehensive & Collision
Quality: #1 in quality best in the nation		Quality: Pays for repairs to your car
Cost: \$5 more than average cost in the nation		Cost: 3rd most expensive in the nation



CPAN has come together in a significant way over the past seven years to protect our model system of auto insurance for people. CPAN has been called upon by the Michigan Supreme Court to issue briefs on significant cases before the Court that deal with no-fault matters. The group has also provided testimony for numerous committees of the State House of Representatives and Senate. This is the lead organization out there every day fighting to preserve what is right about our no-fault system.

The coalition is made up of more than 25 professional associations including a wide variety of consumer and medical groups. In addition to professional associations, CPAN is now opening up membership to private businesses, individual professionals, and consumers. As the fight to protect Michigan drivers' rights continues, it is going to take the voices of us all. If you would like more information on CPAN, you can go to their Web site at www.cpan.us. I urge you to join. ❖

Written by Bill Buccalo, President
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