



SHEET METAL WORKERS' LOCAL UNION NO. 80

FRINGE BENEFIT FUNDS

P.O. Box 1408 / Troy, MI 48099-1408 / (248) 641-4980 (800) 400-7710

TO: All Participants in the Sheet Metal Workers' Local Union No. 80 Insurance Trust Fund

FROM: Board of Trustees

RE: Michigan's New Auto Insurance Law Effective July 1, 2020

DATE: January 6, 2020

As you are aware, for many years the Fund has generally excluded benefits for auto-related claims.¹ In other words, you are generally not covered under the Fund for any injuries (medical or otherwise) suffered as a result of an auto-related accident.

You may also be aware that there are significant changes to Michigan's no-fault auto-insurance system coming soon. These changes will go into effect July 1, 2020.

Under the new law, you will be able to choose the level of Personal Injury Protection (PIP) coverage in your automobile insurance policy:

- unlimited coverage (similar to today's no-fault system),
- reduced coverage at certain levels, or
- no coverage if you are a senior or have qualified private health insurance (the Plan is not such coverage).

More comprehensive *coverage* will be more expensive, but reduced premiums from what you paid last year are expected at all levels of coverage.

As you decide the level of PIP to select with your auto insurance, it is important to know that the Fund will continue to "exclude" auto-related claims as it is permitted to do as it pertains to the self-insured PPO Plan as currently administered. You will not be able to exempt yourself from PIP altogether.

YOU ARE STRONGLY ENCOURAGED TO DISCUSS ANY QUESTIONS YOU MAY HAVE IN THIS REGARD WITH YOUR AGENT, BROKER, OR ATTORNEY.

¹ If your benefits are provided under an insurance policy (either the Humana Medicare Advantage plan or the BCN HMO plan), the terms of the applicable insurance policy will control in this regard.

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Important Fund Information