

MICHIGAN
Personal Auto
Insurance



MANDATORY COVERAGES

Michigan law requires owners and operators of cars and trucks licensed for road use to carry specific mandatory coverages commonly referred to as No-Fault insurance. The following are mandatory coverages that satisfy the Michigan No-Fault law. The maximum limits for each coverage is listed in the Policy Declarations.

Personal Injury Protection (PIP) (Part A)

Personal Injury Protection (PIP) pays for Bodily Injury coverage to an insured, resident family member of the insured, or non-family, non-resident passengers of the insured's vehicle, regardless of fault. The coverage provides the following:

- Medical Expenses (reasonable and unlimited)
- Funeral Expenses (\$1,750 per person)
- Work Loss Benefits (statutory limit of 30 days with \$20 per day maximum for replacement services)
- Survivors Loss Benefits (statutory limit for 30 days with \$20 per day maximum for replacement services).

Included in this coverage is the MCCA fee. This fee is collected by insurance companies and paid to the Michigan Catastrophic Claims Association (MCCA). When an insurance company pays over a set regulated amount in PIP claims, MCCA reimburses the insurance company.

Property Protection Insurance (PPI) (Part B)

Personal Injury Protection (PPI) pays a maximum of \$1,000,000 for property damage to other people's property due to any one accident while operating a covered vehicle in the state of Michigan. This coverage will pay for such items as building and fences belonging to others. The coverage applies regardless of fault.

Residual Liability – Bodily Injury (Part C)

Residual Liability – Bodily Injury pays for accidental bodily injury to others when the insured is legally liable. Bodily Injury damages include bodily harm, sickness or disease, and death. Payment is also available for defense and court costs for covered claims.

Residual Liability – Property Damage (Part C)

Residual Liability – Property Damage coverage, up to the limit stated in the Policy Declarations, is provided when an insured is legally liable for physical damage to tangible property of others as a result of any one accident occurring outside Michigan

OPTIONAL COVERAGES

Michigan law does not require vehicle owners to carry coverage for collision and other perils on their vehicles. However, most drivers purchase all or some of the following coverages, particularly if required by a lien holder. When these coverages are purchased, the maximum limits and applicable deductibles are listed in the Policy Declarations.

Limited Property Damage – Mini Tort (Part C)

Limited Property Damage – Mini Tort pays up to \$500 for damage to each motor vehicle when an insured is liable for an automobile accident occurring in Michigan. This amount would be paid if the insured is more than 50% at fault, and damage to the other party's vehicle is not covered by their own policy, typically because of a collision deductible or lack of collision coverage. By law, \$500 is the maximum limit allowed for this coverage.

Uninsured Motorists Coverage (Part D)

Uninsured Motorists Coverage pays for Bodily Injury sustained to the insured(s) in the event the insured is involved in an accident with a liable uninsured motorist. If purchased, the limits should be equal to or higher than the Residual Liability limits of the policy and must apply to all eligible vehicles with Residual Liability coverage. Concurrent limits are required on all units (except Motorcycles).

Underinsured Motorists Coverage (Part E)

Underinsured Motorists Coverage pays for Bodily Injury sustained to the insured(s) in the event the insured is involved in an accident with a liable motorist without sufficient Bodily Injury coverage. If purchased, the limits should be equal to or higher than the Residual Liability limits of the policy and must apply to all eligible vehicles with Residual Liability coverage. Concurrent limits are required on all units (except Motorcycles).

Coverage For Damage To Your Auto – Comprehensive Coverage (Part F)

Comprehensive Coverage pays for damages to the insured's covered vehicle caused by a covered "other than collision" event. Examples include fire, wind, vandalism, theft or impact with an animal. When Comprehensive Coverage is purchased, the Deductible listed in the Policy Declarations is the maximum paid by the insured. The insured can choose to include a Deductible waiver for glass repair and replacement.

Coverage For Damage To Your Auto – Collision Coverage (Part F)	<p>Collision pays for damages to the insured’s covered vehicle caused by upset of the vehicle, or collision with another object or vehicle. In the State of Michigan, there are three types of Collision Coverage available and include the following:</p> <ul style="list-style-type: none"> • Broad – If the insured is 50% or more at-fault, the insured is responsible for the Deductible. If the insured is less than 50% at-fault, the insured pays nothing. • Standard – The insured is always responsible for the Deductible, regardless of fault, but this coverage will always pay to repair the insured’s vehicle. • Limited – If the insured is less than 50% at-fault in an accident, the coverage will pay to repair the vehicle and the insured pays the Deductible. If the insured is more than 50% at-fault for an accident, the coverage pays nothing for damages to the insured’s vehicle.
INCLUDED COVERAGES	<p>When Residual Liability Coverage is purchased to fulfill the Michigan No-Fault Law, the following coverages are included.</p>
Accidental Death	<p>Accidental Death coverage is provided in the event of the death of a named insured or family member as a result of an auto accident if death occurs within 90 days of the accident. This coverage is included at a \$20,000 limit for all private passenger vehicles listed in the Policy Declarations that also have Liability coverage.</p>
Extended Transportation Expenses	<p>Extended Transportation Expenses provide coverage for the rental car expenses incurred after a covered loss renders the insured vehicle unusable for more than 24 hours. This coverage is included at \$20 per day, \$600 maximum (\$20/\$600) per occurrence, although higher limits can be purchased. The coverage is only available when Comprehensive and Collision Coverage are purchased.</p>
OPTIONAL ENDORSEMENTS	<p>The following Endorsements may be purchased to enhance the coverages offered in the personal auto policy.</p>
Excess Electronic Equipment	<p>Excess Electronic Equipment is included in the policy for Factory Installed Excess Electronic Equipment when Comprehensive and Collision Coverages are purchased. Non-Factory Installed Excess Electronic Equipment coverage is provided in the policy but is limited to \$1,000. Excess Electronic Equipment in excess of \$1,000 must be purchased for increased coverage. The type of equipment that may be covered includes (but is not limited to): radios and stereos, tape decks, compact disk systems, navigation systems, internet access systems, personal computers, video entertainment systems, telephones, televisions, two-way mobile radios, scanners, and citizens band radios. With the purchase of this endorsement, coverage is also included for loss to tapes, disks, and other media if in the covered vehicle at the time of loss.</p>
Extended Non-Owned	<p>Extended Non-Owned Liability is offered when a vehicle is furnished by an employer for the regular use by the individual named in the Policy Declarations, and the employer provides no protection for the named insured on a direct primary basis for Residual Bodily Injury and Property Damage Liability.</p>
Named Non-Owned	<p>Named Non-Owned Liability is offered for an insured that does not own an automobile but has a need for coverage for the operation of non-owned automobiles.</p>
Loan/Lease Gap	<p>Loan/Lease Gap Coverage is offered to provide coverage for the difference, or gap, between the value of the loan or lease and the actual cash value of a covered vehicle. It can be purchased only if Collision and Comprehensive Coverages are purchased for this vehicle. Loan/Lease Gap applies only in the event of the unexpected end of a loan or lease agreement due to the total loss of the covered vehicle. The greater of the following is covered:</p> <ul style="list-style-type: none"> • The unpaid amount due to the lease or loan of the covered auto; or • The actual cash value of the auto. <p>This endorsement is only available on the loan or lease of a new automobile. A new automobile under this endorsement means an automobile that has not been previously titled by the state.</p>
Towing & Labor	<p>Towing & Labor provides coverage for expenses incurred in the event the covered vehicle becomes disabled. This coverage may be purchased only if Comprehensive or Collision Coverage is listed on the Policy Declarations for the covered vehicle.</p>