

Our Auto Insurance Has Changed!!!

For those of you who still may not be aware of the issue, starting July 1, 2020, persons applying for or renewing their auto insurance will be given a choice to opt out or cap their medical expense coverage under no fault. Those choices will include opting out of medical expense coverage completely (*if the person has Medicare and any spouse or relative in the household have health insurance which covers accidents, Medicare or is covered under another auto policy*); capping at \$50,000.00 (*if the person has Medicaid*); \$250,000.00; \$500,000.00; or to keep unlimited benefits as the "old" no fault law provided for.

HERE IS THE POTENTIALLY CRIPPLING EFFECT THIS HAS ON MOTORCYCLISTS: When a motorcyclist is involved in an accident with a motor vehicle, it is the insurer of the owner, registrant or operator of the involved automobile that is first in priority to pay the motorcyclists *no fault* benefits. Under the new law, a motorcyclist is bound by the cap that the motorist chose for himself/herself on his/her own auto policy!

For example, if the motorist chose a \$50,000.00 cap for himself on his auto insurance policy and he is involved in an accident with a motorcycle, the motorcyclist's no-fault benefits are capped at \$50,000.00! Thus, while motorists will have a direct choice on the amount of no-fault benefits available in the event they are injured in an accident, motorcyclists have no such choice. There are limited exceptions where a motorcyclist may bypass the auto policy and look to the next policy in order of priority to pay, but even with the exception, once you reach an insurance policy in proper priority to pay, the motorcyclist is bound by the applicable cap on the policy.

Fortunately, while **Senate Bill 1** was passed into law in May of 2019, the above referenced portion of the bill regarding motorcyclists does not take effect until **July 1, 2020. Welcome Motorcycle Fix – SB 528.**

1. UNDER SENATE BILL 1, BEGINNING JULY 1, 2020, MOTORISTS OBTAINING OR RENEWING THEIR AUTO INSURANCE WILL BE GIVEN THE OPTION TO CAP THE MEDICAL PORTION OF THEIR NO FAULT BENEFITS AT \$50,000.00, \$250,000.00 OR \$500,000.00.
2. UNDER SENATE BILL 1, THE INSURER OF THE OWNER OR OPERATOR OF THE INVOLVED MOTOR VEHICLE IS FIRST IN PRIORITY TO PAY AN INJURED MOTORCYCLISTS NO FAULT BENEFITS AND THE MOTORIST ON THE MOTORIST'S AUTO POLICY.
3. MANY INJURED MOTORCYCLISTS INCUR MEDICAL EXPENSES IN EXCESS OF \$500,000.00, LET ALONE THE LESSER CAPS OF \$50,000.00 AND \$250,000.00 THAT MOTORISTS WILL BE GIVEN THE OPTION TO CHOOSE FROM.
4. IN BINDING THE INJURED MOTORCYCLIST TO THE CAP THE MOTORIST SELECTS FOR HIMSELF/HERSELF ON HIS/HER AUTO INSURANCE WILL CAUSE THE MANY MOTORCYCLISTS AT RISK OF EXCEEDING THE CAP TO FILE BANKRUPTCY OR FILE FOR MEDICARE OR MEDICAID, PUTTING ADDITIONAL BURDEN ON THESE ALREADY STRAINED ENTITIES.
5. MOTORISTS AND PEDESTRIANS INVOLVED IN AN AUTO ACCIDENT CLAIM NO FAULT BENEFITS FROM THEIR OWN AUTO INSURANCE POLICIES. IT IS DISCRIMINATORY TO ALLOW MOTORISTS AND PEDESTRIANS TO CHOOSE A CAP FOR HIMSELF/HERSELF WHILE MOTORCYCLISTS ARE BOUND BY THE CHOICE MADE BY THE MOTORIST.
6. **SENATE BILL 528** FIXES THIS SITUATION BY PLACING THE MOTORCYCLIST'S OWN AUTO INSURANCE FIRST IN PRIORITY TO PAY THE INJURED MOTORCYCLISTS NO FAULT BENEFITS. THIS WAY, MOTORCYCLISTS LIKE MOTORISTS AND PEDESTRIANS, **ARE PROVIDED A CHOICE** REGARDING THEIR NO FAULT BENEFITS



All we are asking as Riders is for CHOICE! Do You!?