

Annual Report 2013



216 North Chestnut St. | Lansing, MI 48933
(517) 882-1096 | www.CPAN.us | www.ProtectNoFault

[Twitter.com/ProtectNoFault](https://twitter.com/ProtectNoFault)
[Facebook.com/ProtectNoFault](https://facebook.com/ProtectNoFault)





*John Cornack
CPAN President*

From
*The
President*

40 Years of Saving Lives

A message from CPAN President John Cornack

There are few laws that have had a greater impact on people's lives than the Michigan Automobile No-Fault Insurance Act. This law, which went into effect 40 years ago this past year, has created a system of care that is the envy of the nation and given hope to thousands of catastrophically injured people and their families.

There are success stories from every corner of the state about accident survivors who would not have been given a chance had it not been for prompt critical care, brain injury rehabilitation and other treatments covered by no-fault insurance. Many of those individuals and their family members are our greatest sources of inspiration in continuance of our fight to preserve Michigan's auto no-fault law.

As important as Michigan's no-fault system has been for catastrophically injured people, it has had to endure consistent attacks by special interests that want to weaken the protections and live-saving care it provides. For ten years now the Coalition Protecting Auto No-Fault has stood up against those attacks in the capitol as well as the courts. This broad and diverse coalition is nearly as unique as the no-fault law itself, with doctors, lawyers, healthcare professionals, consumer advocates and labor organizations all joining together to fight for the right to quality care for accident survivors.

Despite entering into its tenth year, CPAN witnessed many "firsts" throughout 2013 as numerous successful events were held to help support Michigan's no-fault system. Along with several workshops and seminars and the annual "Survive and Thrive" event, CPAN hosted its first-ever golf outing in June and its first Gala in October. The revenue from these events had a significant positive impact on the organization's finances, contributing almost one-third of our annual revenue. We cannot thank all of you who sponsored or attended these events enough for your support.

It was fitting to celebrate the perseverance of Michigan's model no-fault law, the lives of those who have been touched by it, and thank those who continue the fight to keep auto no-fault insurance in Michigan this past fall through an event like our Anniversary Gala. However, no event can compare to the daily triumphs in the legislature, the courts, and the tenacious actions by the friends and family members of the catastrophically injured that make it imperative to celebrate this law every day.

Although House Bill 4936 died in the 2012 lame duck legislative session, 2013 began right where the previous year's auto no-fault debate left off. House Insurance Committee chair Peter Lund (R-Shelby Township) introduced HB 4612 on April 23, 2013, approximately one week after Governor Snyder and Republican leaders held a news conference touting the merits of their modified no-fault proposal.

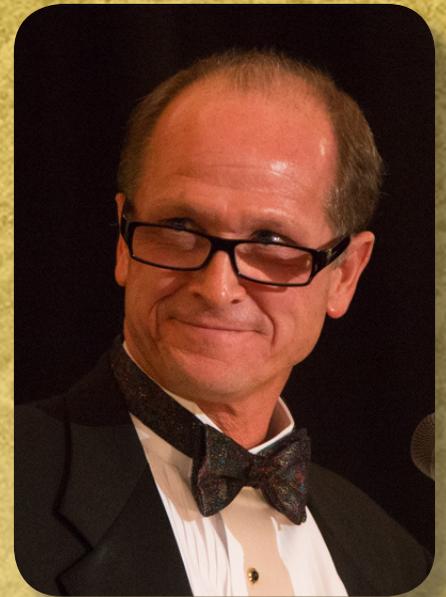
HB 4612 was deeply flawed from the start. The initial bill language created a new Michigan Catastrophic Claims Corporation (MCCC) that would have allowed for the member insurance companies to retain the remaining assets of the current MCCA after it was closed. This would have resulted in hundreds of millions of dollars meant for catastrophic accident survivors going directly into the insurance companies' pockets. Once CPAN pointed out this injustice the "drafting error" was corrected, but the already healthy level of public skepticism over the reforms being offered only increased and the new proposal headed into a hail storm of criticism.

When the House Insurance Committee held hearings on HB 4612, CPAN was ready to mobilize. Our members came to Lansing from all corners of the state in numbers so large that the hearings had to be moved to the largest room available, plus three additional committee rooms to handle the overflow capacity of the crowd. Despite the hundreds of accident survivors, family members and health care experts who voiced opposition to the legislation, the House Insurance Committee Chair reported the measure to the House Floor on May 7th on a strict partisan vote. The bill has stayed on the House floor since that time, where it continues to languish due to the overall lack of support. The Speaker and Governor attempted to push through the measure by trying to isolate key stakeholders, but the votes remained far short of the 56 needed for passage.

Throughout the year, CPAN continued its strong advocacy to educate the public and policymakers about the many negative impacts of the legislation. CPAN coordinated town hall meetings throughout the state and held dozens of meetings with policymakers. Our public relations efforts ensured health care experts and accident survivors had their perspective told in the media, and our Facebook and Twitter pages spread our message online.

CPAN continued to work with House members to find workable solutions to increase affordability, accountability, and cost efficiencies in the auto no-fault system. While no final product was publicly shared, there is an affordability package that could receive bipartisan support if and when introduced later in 2014. This package of proposals could become part of a more expansive reform package that CPAN is developing that addresses fraud, brings greater accountability in family provided attendant care, strives for more balanced and fair cost efficiencies in the system, creates a balanced tort threshold, results in cost containment for both providers and insurers, as well as a number of other needed reforms, such as the need for transparency in the MCCA.

HB 4612 and CPAN's proposals will continue to be part of a larger public debate about how best to preserve Michigan's auto no-fault system while also lowering premiums for drivers. Through CPAN and its members, we stand prepared to advocate for the preservation of the best auto insurance system in the country.



Kevin A. McKinney
CPAN Legislative Consultant

2013 *Legislative Activities*



A History Worth Celebrating

1973-2013

2013 marked the 40th anniversary of the founding of Michigan's landmark auto no-fault insurance law and the 10th anniversary of the Coalition Protecting Auto No-Fault. It's no coincidence that both CPAN and Michigan's auto no-fault system are still standing today, and the fact that they endure is a testament to the courage and persistence shown by everyone who understands the value of no-fault to Michigan.

Before auto no-fault, Michigan policymakers struggled with how best to care for seriously injured accident victims. Hospital bills piled up and injured parties went uncompensated for years while their cases wended their way through the courts. There had to be a better way.

Forty years ago, Governor William G. Milliken and the Michigan Legislature worked together to pass a law that dramatically revolutionized how we take care of people who sustain serious motor vehicular injury. That law was the Michigan Automobile No-Fault Insurance Act. No state had ever enacted such a bold plan of providing comprehensive medical care while protecting the legal rights of seriously injured accident victims. This unique concept blended venerable principles of the common law tort system with a new, comprehensive statutory reparations plan that would provide patients with lifetime medical care and broad-based rehabilitation therapies that are essential to rebuilding lives that have been shattered by catastrophic injury.

Over the next three decades, the noble objectives of this innovative legislation were substantially achieved, and the Michigan auto no-fault law soon became known nationally as a "model law." Unfortunately, this remarkable law has recently come under intense attack in the Legislature and the Courts by special interests groups that believe it is no longer worth preserving. Michigan citizens, however, have consistently opposed those special interests. On two occasions, in 1992 and 1994, Michigan voters voiced their great support for the Michigan auto no-fault law by defeating two ballot proposals that would have essentially caused its destruction.

Nevertheless, well-heeled opponents of Michigan's no-fault law continued their attempts to undermine our model system. Consequently, a broad based, bipartisan group of no-fault supporters joined together to form CPAN for the singular purpose of continuously standing ready to protect auto no-fault in Michigan. That was 10 years ago and CPAN is still standing; so too is the Michigan auto no-fault system.

Of course, the battle rages on and we are not about to stand down. To all of those countless people and organizations who have fought to save our no-fault law and support CPAN, we thank you!



I am one of the many reasons Michigan's auto no-fault system should stay in place. I was riding a motorcycle 10 years ago when a young man in a pickup truck pulled out in front of me. The next thing I know, I am at

Mary Free Bed Rehabilitation Hospital.

In **my horrific accident**, I sustained many injuries, including a closed head injury. The Traumatic Brain Injury initially resulted in severe memory loss, speech impairment and double vision. While I still often stutter badly, making communication very difficult, my memory loss and vision have improved because of the treatment I received through auto no-fault.

Prior to my accident, I served my country for 23 years as a helicopter pilot and instructor in Michigan's Army National Guard. My injuries prohibited my return to work, resulting in the loss of my job and health insurance. **No-fault has covered the necessary services**, including a nurse aide who accompanied me during my first year of recovery. Every day from 7 a.m. to 6 p.m. we went to outpatient therapy. Without these services, I would not have regained the strength to take care of myself. Today, I am somewhat self-sufficient and working part-time at the Air Zoo in Kalamazoo. I use a wheelchair for longer errands and can be seen with my service dog by my side. **Doing away with this great no-fault system we have established here in Michigan would have resulted in prolonging my injuries and finding few, if any, solutions to my pain.** On top of this, my family and I would have likely lost everything due to the enormous costs.

Michigan's auto no-fault system must stay in place to care for the next person like me who is fortunate enough to survive such a horrific accident. **Protect victims like me; vote no on HB 4612**

—Donald Bricker

*Public
Awareness
and
Advocacy*



Communicare's John Shea presents CPAN with check and artwork at Survive & Thrive



CPAN helps vendors move-in for the Fall Brain Injury Association of Michigan Conference.



Gary Shrewsbury Photography

Over 340 people attended the 40th Anniversary of No-Fault and 10th Anniversary of CPAN Gala held on October 26, 2013.



Judge James Giddings and Justice Michael F. Cavanagh at the CPAN 40th Anniversary of No-Fault Gala.

Justice Cavanagh receives the Judicial Lifetime Achievement Award.



L. Brooks Patterson accepts his Public Conscience Award at the CPAN 40th Anniversary Gala

THE FACE of Michigan's Auto No-fault



Brian Woodward
Detroit, MI

What is *really* at stake?

In November of 1983, I was involved in a single vehicle accident. That night my life was changed in a split second. It is not something that you plan.

After my accident, I was lying in the intensive care unit while my parents were frantically trying to gather money and reorganize their finances to pay for my care, which would have completely bankrupted them. Thanks to the medical coverage that I received from Michigan's no-fault law, I am not a burden to my family. Although there were still some changes to our lives because of my catastrophic injury, the monetary burden of care was eased considerably. House Bill 4612 will shift that burden back on family and friends.



The medical coverage in the no-fault law has made it possible for me to have the necessary transportation, support and equipment. It is everything I need, nothing that I don't. If it wasn't for the no-fault law, I would still be in a small town depending on friends and family, be in a medically degraded condition on public assistance, or possibly dead. Instead I am a home-owning, tax-paying, community involved citizen! I have coached Little League baseball, I sing in the choir every Sunday, compete in turkey calling contests, hunt, fish, enjoy the outdoors, tutor young children, have mentored other disabled individuals to get them back out in the real world, and worked as a contractor to Ford Motor Company for the past 23 years.

I hope and pray that no one has to experience what I did. Unfortunately, the reality is that anyone in the state of Michigan could find out in an instant how badly no-fault is needed. **HB 4612 would take away my job, my house, my attendants, and put me on Medicare and Social Security.**

Every able-bodied person is looking for a good quality of life. That's what disabled people are looking for, too. The current no-fault system absolutely supports that. **Vote no on HB 4612!**

Multi-media



Dianda Town Hall

web-site

postcards,
trade displays,
fund raisers
and a
convenient
legislative App



*George T. Sinas
CPAN General Counsel*

2013 *Judicial Action*

Two court cases were central to CPAN’s legal advocacy in 2013, *Admire v. Auto Owners* and the *Coalition Protecting Auto No-Fault v. the Michigan Catastrophic Claims Association*.

The *Admire* case determined that insurers do not have to pay the base price of products like wheelchair accessible vans for catastrophic auto accident survivors. This has resulted in auto insurers applying the case retroactively to justify their denial of patients’ transportation and other products that had previously been available to them.

In response to this decision, CPAN worked to minimize *Admire*’s impact on catastrophically injured people. We have created an *Admire* task force to help fully analyze all of the problems associated with the case and continue to seek litigation opportunities that will help limit the case’s ramifications. CPAN held two *Admire* workshops last year to help educate accident survivors, health care providers and case managers about the *Admire* decision.

CPAN’s effort to bring transparency to the Michigan Catastrophic Claims Association moved another step forward in 2013. Accessing the MCCA’s actuarial assumptions and rate making data is critical to the debate over changing to Michigan’s no-fault system. Insurers argue that the claims fund will go bankrupt if significant cuts to auto injury benefits are not enacted. Circuit Court Judge Clinton Canady III ruled that the MCCA is subject to Michigan’s Freedom of Information Act, yet the insurance industry appealed the decision to the Michigan Court of Appeals in 2013. CPAN assembled a strong legal team to present our arguments for the case, and we expect a decision from the court sometime in 2014.

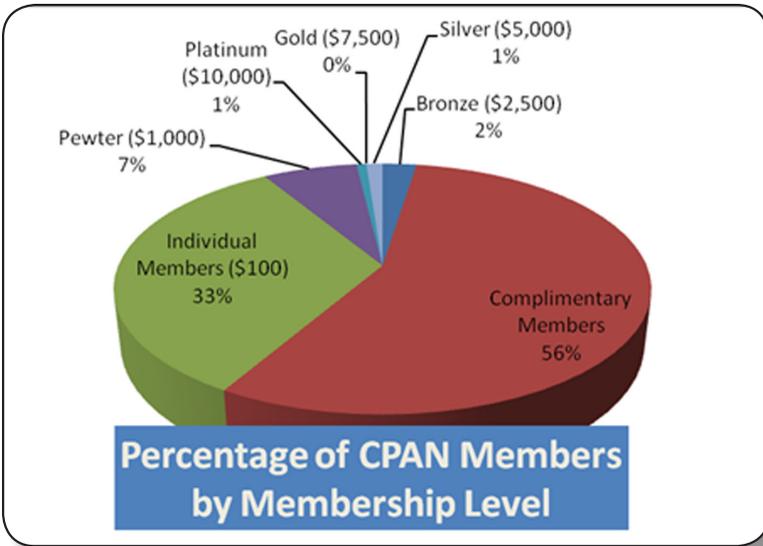
CPAN will continue to be engaged in both the MCCA and *Admire* cases, educating members about each and ensuring that policymakers understand how these and other court cases impact the state’s auto no-fault system.



Judge James Giddings, George Sinas and Jay Angoff brief members of the legislature, their staff and other interested persons on the MCCA FOIA Lawsuit heard before the Ingham County Circuit Court.

2013

Financial Report



CPAN's 681 members include a wide variety of state associations, private businesses, professionals and consumers. * Membership data as of 12/31/2013

In 2011 the CPAN Board of Directors adopted a new membership structure with sponsorship levels that include full-paid Individual Complimentary Memberships. The purpose of this new structure is two-fold; first, to provide the needed funds for advocacy efforts and research, secondly, to increase the amount of members providing a larger voice for our no-fault system. CPAN encourages organizations to distribute the Complimentary Individual Memberships to staff, clients, board members, family and friends. As a result of this new structure, today over 54% of CPAN membership is comprised of complimentary members.

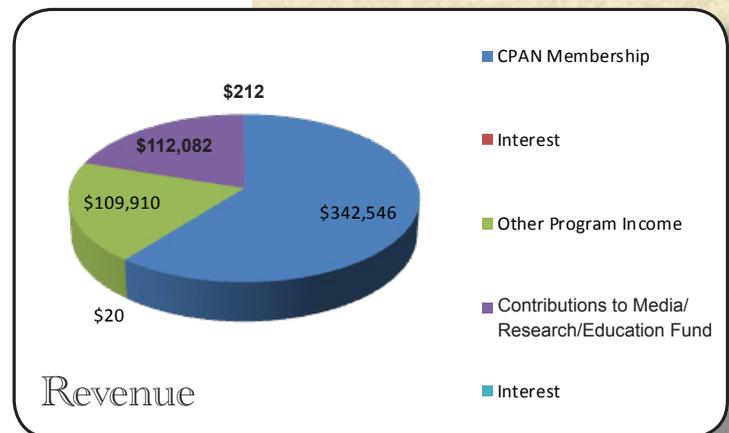
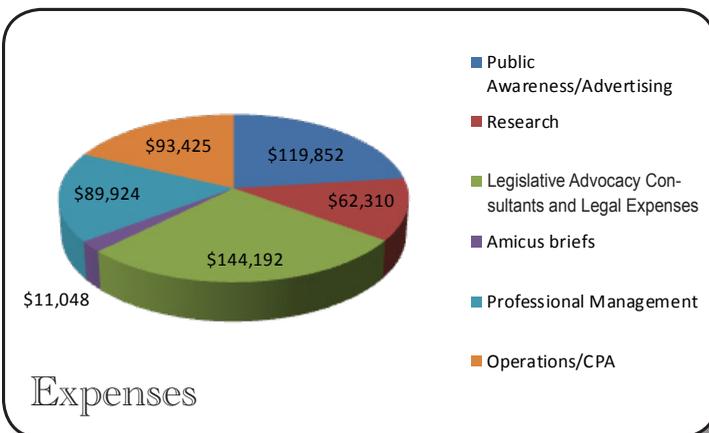
CPAN Finances

Revenue

CPAN Membership	\$342,546
Interest	\$20
Other Program Income	\$109,910
Contributions to Media/Research/Education Fund	\$112,082
Interest	\$212
	<hr/>
	\$564,770

Expenses

Public Awareness/Advertising	\$119,852
Research	\$62,310
Legislative Advocacy Consultants and Legal Expenses	\$144,192
Amicus briefs	\$11,048
Professional Management	\$89,924
Operations/CPA	\$93,425
	<hr/>
	\$520,751
Revenue less Expenses	\$44,019





Administrative Director

Martha Levandowski

216 North Chestnut St.
Lansing, MI 48933
Phone/Fax: (517) 882-1096
www.CPAN.us
Facebook.com/ProtectNoFault



"Life can change in a blink of an eye. On Dec. 28, 2006, I was headed to work as a

home health nursing manager when another driver lost control and crossed the center line. Today, six and half years later, I have recovered to the point that I can get around short distances with a walker and use a wheelchair for longer errands. I continue to need daily assistance for safety with showering, dressing, meal preparation and mobility. Auto no-fault covers these needs that allow me to live in my own home."

—*Sheryl Dana*

Officers

President – John Cornack, MBIPC/Eisenhower Center
1st Vice President – Colin J. Ford, Michigan State Medical Society
2nd Vice President – Jane R. Bailey, Michigan Association for Justice
Secretary—Michael Dabbs, Brain Injury Association of Michigan
Treasurer – Carl Alden, Michigan Association of Chiropractors

Executive Committee

Michigan Brain Injury Providers Council, MBIPC (John Cornack)
Michigan State Medical Society (Colin J. Ford)
Michigan Association for Justice (Jane R. Bailey)
Brain Injury Association of Michigan (Michael Dabbs)
Michigan Association of Chiropractors (Carl Alden)
Michigan Health and Hospital Association (Laura Appel)
Michigan Orthopaedic Society (Bill Kandler)
MBIPC (Margaret Kroese)
George T. Sinas—Sinus, Dramis, Brake, Boughton, & McIntyre—
General Counsel (ex-officio)
Kevin A. McKinney—McKinney and Associates—
Legislative Consultant (ex-officio)

Board Of Directors

Brain Injury Association of Michigan (Michael Dabbs)
Eisenhower Center (John Cornack)
Michigan Academy of Physician Assistants (Mike DeGrow)
Michigan Association for Justice (Jane Bailey)
Michigan Association of Chiropractors (Carl Alden)
Michigan Brain Injury Providers Council (Margaret Kroese)
Michigan Citizen Action (Linda Teeter)
Michigan Dental Association (Bill Sullivan)
Michigan Health and Hospital Association (Laura Appel)
Michigan Nurses Association (Fran Brennan)
Michigan Orthopaedic Society (Bill Kandler)
Michigan Osteopathic Association (Kris Nicholoff)
Michigan Paralyzed Veterans of America (Michael Harris)
Michigan Rehabilitation Services Association (Jenny Piatt)
Michigan Independent Case Management Council
(Linda Michaels Gruber)
Feinberg Consulting, Inc. (Pam Feinberg-Rivkin)
Michigan State AFL-CIO (Mike Keller)
Michigan State Medical Society (Colin Ford)
Spectrum Health (Daniela Garcia)
Michigan Protection and Advocacy (Michelle Mull)
Detroit Chapter of the NAACP (Donnell R. White)
Walk the Line to SCI REcovery (Erica Coulston)
Health Partners (John Prosser II)
George T. Sinas—Sinus Dramis, Brake, Boughton, & McIntyre
General Counsel (ex-officio)
Kevin A. McKinney—McKinney and Associates
Legislative Consultant (ex-officio)



Pictured: Karen Katko, Acclaimed Home Care; George T. Sinas, Sinas Dramis Brake Boughton and McIntyre, P.C.; Alice Salazar, Acclaimed Home Care Owner

On December 13, 2013 George T. Sinas was awarded the **Catalina Andres Humanitarian Award** for his ongoing and untiring efforts to protect the Michigan No-Fault Law. The award was given by the ACS Foundation.



An
Award-Winning
Organization



MSAE 2013 Diamond Award – Public Relations Campaign – CPAN's innovative campaigns to increase awareness of an organization/issue among the public, media and other external audiences.

