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Court Clarifies No-Fault Act's Notice Requirement (MCL 500.3145(1))

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The Michigan No-Fault Act's "written notice of injury" requirement (MCL 500.3145(1)) is not necessarily satisfied by a no-fault insurer's receipt of medical bills and records from a medical provider.

In a recent holding by the Michigan Court of Appeals, the court ruled that there was no mention of the Act in the records, therefore, the requirement was not satisfied.

The appellate court held that a no-fault insurer's receipt of medical bills and records from a medical provider may not necessarily satisfy the "written notice of injury" requirement of the no-fault act (MCL 500.3145(1)).

In *Perkovic v Zurich American Ins Co*, __ Mich App __ (2015), the plaintiff, who was a truck driver and worked as an independent contractor, had a personal no-fault policy and "bobtail" policy. He was also covered by a policy issued by Zurich to E.L. Hollingsworth, that was to provide the plaintiff Michigan no-fault benefits while the plaintiff was hauling loads for E.L. Hollingsworth.

The plaintiff was involved in a motor vehicle accident on Feb. 28, 2009, in Omaha, Nebraska, while hauling a load for E.L. Hollingsworth. He was treated at the Nebraska Medical Center, whose representatives forwarded bills for services, along with the plaintiff's medical records, to Zurich, approximately two months after the accident. Zurich denied it owed the bills approximately three weeks later, indicating that no report of the accident and the plaintiff was ever filed with Zurich.

The plaintiff filed suit against his own personal no-fault and "bobtail" insurers, but did not include Zurich until March 25, 2010, more than one year after the subject accident. It was ultimately determined that Zurich was the insurer of the highest order of priority for the plaintiff's no-fault benefits. However, Zurich moved for summary disposition, arguing that the plaintiff's claims were barred by MCL 500.3145(1), which requires that no-fault carriers be given written notice of the injury within one year of the motor vehicle accident, which includes the name and address of the claimant and indicate in ordinary language the name of the injured party and the time, place and nature of injury.

The plaintiff argued that Nebraska Medical Center's forwarding of its bills, along with the plaintiff's medical records, complied with the written notice requirement of the Michigan No-Fault Act. The trial court rejected the plaintiff's argument and granted Zurich's motion for summary disposition.

The appellate court affirmed, reasoning that the medical bills and records did not satisfy MCL 500.3145(1) because written notice must be given to the insurer "… by a person claiming to be entitled to benefits ... or by someone on his behalf." While the court acknowledged that the bills and medical records were submitted by the Nebraska Medical Center, the court indicated that because there was no mention of the Michigan No-Fault Act, the written notice requirement was not satisfied.

While this decision is certainly favorable, it should be noted that most, if not all, Michigan medical providers usually send their bills, along with medical records, and specific reference to Michigan's No-Fault Act.

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