



Work Loss Benefits Under Michigan's No-Fault Law

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You are driving along in your car or truck and the unexpected happens: you're in an accident, and you're injured. The injuries are serious. Hospitalization, doctor visits, therapy, and rehabilitation all follow. But what is worse than almost anything is that you can't work, have no income, and you don't know what to do.

Fortunately, your Michigan No-Fault Auto Insurance Policy covers you in that situation, and may provide some relief as you get back on your feet.

If you were employed at the time of your accident, it is very likely that you will be able to obtain this No-Fault benefit, and receive work-loss payments during the time you are not able to work. Of course, you will need to submit a timely claim for this benefit together with proof of your inability to work, which usually takes the form of a physician's note, or "Doctor's Slip" that restricts you from working. If this information is submitted in a timely fashion to your insurance provider, and absent any disqualifying events, you, as an injured person, are generally entitled to work-loss benefits to compensate you for the loss of your employment income which would have been received had the accident not occurred. These benefits are not a dollar-for-dollar replacement, but will equal roughly 85% of your income level, and are generally free of income tax.

This picture will change if you are not employed at the time of the accident. If you are not employed, then you are generally not entitled to work-loss benefits. But, there are certain exceptions. For example, if you are "temporarily unemployed" then you are generally entitled to work-loss benefits. Courts have determined that a "temporarily unemployed person" must be able to prove that they would have returned to specific work had the accident not occurred. For example, if a person is between jobs and has accepted an offer to work but is unable to start because of the injuries sustained in an accident, that person is likely viewed as being "temporarily unemployed." Likewise, if someone has been "laid off" on a temporary basis, or otherwise "furloughed," and would have returned to work but for the accident, that person will likely be viewed as "temporarily unemployed." The intent to return to work, or an intent to look for work, is not sufficient to qualify for work-loss benefits.

This general overview is not intended to substitute for the advice of an attorney with experience in this area. If your insurance carrier has declined to provide work-loss benefits for any reason, it is important that you consult an attorney who specializes in Michigan's No-Fault Law as quickly as possible. They'll be able to help you find your way through the No-Fault maze, answer your questions, and provide guidance on how to proceed.

Cunningham Dalman, P.C. is a full service law firm located in Douglas, Michigan, as well as in Holland, Michigan. Our attorneys possess skill and experience in a broad spectrum of areas of practice, and have proudly served the lakeshore community for over 100 years. Contact us at 269-857-7879.

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