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Dear Friends,

One of President Obama's primary initial goals is to address what has been called the "Health Care Crisis." A startling statistic that has been reported is that 62% of American bankruptcies are due to the inability to pay medical bills. When our clients are injured due to the negligence of others, they are not immune from this potential tragedy. However, we strive to protect our clients from contributing to this bankruptcy statistic.

In the representation of persons who have sustained serious injury, often huge medical bills are incurred. You may be thinking that the person responsible for causing that injury is responsible for those medical bills. You would be correct; but there are two (2) important considerations in understanding how if injured, the obligation to make medical payments, despite caused by the fault of another, can lead to tremendous financial difficulty for the injured person.

The first problem is one of timing. In order to recover medical costs from a wrongdoer, fault must be proven. It may take as much as several years to investigate and litigate before that fault determination is made by jury (or settlement). Most wrongdoers, even in the most egregious of circumstances, do not throw up their hands and say "I quit." These wrongdoers instead are defended by their insurance carriers and hired defense counsel to help defeat your liability arguments and attempt to minimize or suggest that your damages are not as significant as you contend. While this fight goes on, you continue to need medical treatment and your medical treaters demand payment at the time of treatment. You are responsible for the payment of your medical bills when incurred. If you have health insurance, your insurance carrier will, hopefully, pay these medical bills. However, there may be significant deductibles and co-pays. In these instances, we have often been able to intervene and make deals with the medical treaters that will allow you to continue to get treatment while we promise payments to the medical provider from the outcome of your claim.

The second problem is that in far too many instances, especially motor vehicle accident situations, the defendant is woefully underinsured, sometimes creating a situation where the medical costs alone far surpass the liability insurance coverages of the defendant. This becomes a problem because, in many instances, you must reimburse the medical payments made by your

health insurance carrier, Medicare, Medicaid or worker's compensation carrier. Once reimbursement is made, the possibility exists that you could get uncompensated for your lost wages, pain and loss of life's pleasures. This is another reason why it is so incredibly important that you carry appropriate underinsured motorist protection. (See our website, "*Issues Confronting our Clients*," regarding the importance of underinsured motorist coverage.) In these instances where the liability coverages of the defendant are minimal in comparison to the medical costs that must be reimbursed, we often again are able to intervene and get the medical insurance carriers, Medicare, Medicaid and even the medical treaters themselves to accept pennies on the dollar for reimbursement of the medical payments made for your treatment or the medical bills still owed. All of this is done in order to protect you from the personal liability you would otherwise have for the payment of these medical bills.

In conclusion, there are times when a wrongdoer's insurance coverage is not sufficient to achieve full compensation for all of your pain and suffering, inconvenience, or loss of life's pleasures. Even in these unfortunate instances, however, we work hard to prevent our clients from the financial disaster that could come to pass if they have unpaid medical bills needed to treat an injury caused by the negligence of another.

My next e-mail will address Pennsylvania Motor Vehicle Law and the need to be properly covered for medical expenses.

Warmest regards,

Anthony J. Baratta