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Dear Friends,

Do you realize that when you are involved in an automobile accident, even if not your fault, your choice of insurance coverage in your automobile policy dictates to what extent you are protected? The choice that you make governs how much medical treatment you will be able to receive, whether you will receive immediate compensation for any lost wages and whether you will be able to seek full compensation for the pain, inconvenience, loss of life's pleasures, disfigurement and the many intangible losses that may be caused.

As I am sure you know, one must have automobile insurance in order to legally drive a motor vehicle. You wouldn't be able to get your vehicle inspected without showing proof that you are insured. In 1990, the Pennsylvania Legislature enacted the present Motor Vehicle Financial Responsibility Act. The stated purpose of this new law was to make automobile insurance more affordable and reduce premiums. Many people buy the minimal amount of insurance that they need to legally drive without truly evaluating the effects this can have on their own rights should they or a family member be caused injury by the negligence of another.

The essence of the 1990 law was that, regardless of fault, each person protects themselves for their own medical expenses caused by an automobile accident. So, if that drunken driver blows through a red light and broad-sides you, it is your automobile insurance which dictates how much medical coverage you will be entitled to receive. Most people choose the minimum medical coverage available assuming that health insurance will cover the medical expenses in excess of that minimum coverage. That minimum coverage, \$5,000.00, can be exhausted simply in the ambulance ride and evaluations in the emergency room. Most people don't know that they can choose medical benefits up to \$1,100,000.00 in \$100,000.00 increments without incurring a tremendous premium increase.

There are many reasons to not rely upon your health insurance. Health insurance may be an HMO in which you are required to treat with in-network providers and receive referrals from your primary care physician (whereas with your automobile insurance, you can choose to get whatever treatment is reasonable, necessary and related to the injuries sustained in the accident). Your health insurance carrier will contractually be entitled to recover those monies it has paid for your medical treatment from any recovery you make from the person responsible for causing the accident (whereas your automobile insurance carrier is not entitled to recover those payments made). Health insurance benefits are extremely expensive and, even if you are lucky enough to have employer-sponsored medical benefits, in this economy, you never know when you may lose the coverage and be forced to pay for those medical benefits yourself. For a relatively insignificant premium, you can ensure that your medical bills will be paid if sustained in a motor vehicle accident by choosing the proper medical coverage.

Your automobile insurance company is required to give you notice of what medical benefits you are entitled to choose and the costs of those different choices. However, the automobile insurance company has to do this only one (1) time. So, for example, if you have been insured by the same automobile insurance carrier since 1991, that was the last time your automobile insurance carrier was required, by law, to give you notice of your different options to choose medical coverage. In the following 18 years, your life circumstances would have certainly changed and your need to re-evaluate your automobile coverages have as well. Therefore, please do yourself a favor as you are reading this right now. Look at the Declarations Page of your automobile insurance carrier. See how much medical coverage you have chosen. If, after you read this letter, you believe you are sufficiently insured, congratulations. If not, do yourself a favor and immediately call your broker to change that insurance coverage to an appropriate level.

Your choices of medical coverage are spelled out at 75 PA.C.S. §1715 and include:

1. Medical benefits up to at least \$100,000.00
2. Extraordinary medical benefits from \$100,000.00 to \$1,100,000.00 which may be offered in increments of \$100,000.00
3. A combination of benefits for medical, income loss, accidental death and funeral expenses with a limit of \$177,500.00

As always, should you have any questions or concerns regarding this, I invite either a telephone call or an e-mail in response to this.

Warmest personal regards,

Anthony J. Baratta