

Recovery & Resolution

A LEGAL NEWSLETTER FOR
HEALTH CARE PROFESSIONALS



Graham Lundberg & Peschel *Founded 1979*

Do You Want to Get Paid?

Getting Paid In a Personal Injury Case

By John D. Webber, Attorney

There is more than one way for a healthcare provider to get paid when treating a patient who has been involved in an automobile collision or who has suffered some other personal injury due to a third party's negligence. These options include personal injury protection (PIP), Labor and Industries (L&I), health insurance, medical payment coverage, liens for third-party cases pending settlement, patient payment plans, and payment from judgments or verdicts. These payment options can be used individually or, often, in combination with one another. A skilled attorney can help your patient sort through the often confusing world of insurance coverage issues, particularly when multiple forms of coverage are available.

Personal Injury Protection Insurance (PIP)

The most common type of insurance available to most patients in a motor vehicle collision case is PIP insurance. This is first-party insurance that pays for reasonable and necessary medical expenses up to dollar amounts specified under the policy for up to three years from the date of the collision, and it also provides for income loss up to 52 weeks and up to the dollar amounts specified under the policy. The minimum PIP coverage mandated under Washington law is \$10,000.00 per person. It is important that your patient accurately complete the PIP application in a timely manner; that each healthcare provider submit legible and complete records; that the primary care phy-

sician perform regular and complete re-examinations with fully documented findings; and that accurate diagnostic codes are used, including proper CPT codes.

Labor and Industries

Washington's Department of Labor and Industries will be the primary insurance carrier to whom a healthcare provider will submit bills when a patient has been injured on the job. The patient can be injured while driving on the job, and while another driver may still be at fault for the accident, L&I insurance is still primary for billing medical treatment. It is important that the patient properly and accurately submit an L&I claim form. The primary care physician needs to complete the initial diagnoses for the claim form. Each provider must properly and regularly update L&I and submit billings in a timely fashion in order to be paid.

Health Insurance

It is important to remember that WAC 284-43-205 requires that all health plans

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Getting Paid In a Personal Injury Case

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provide coverage for treatment and services rendered by every type of doctor for conditions covered by the basic health plans. This applies to all providers who are licensed in Washington and who provided care within the scope of their license. Therefore, all health insurance plans will cover, to some extent, chiropractors, massage therapists, naturopaths, and acupuncturists. It is important that each healthcare provider bill health insurance under the following circumstances:

1. When PIP or other underlying insurance has been exhausted or terminated; and
2. When no other insurance is available.

It is to your patient's benefit to have his or her bills paid by insurance. It is also better for each healthcare provider to have at least some of the bills covered and paid, even if a write-off must be taken under the health insurance policy.

Medical Payment Coverage

If a patient is injured while on the premises of a commercial business, commercial apartment complex, or private residence, medical payment coverage can often be found under the commercial general liability policy or homeowner's insurance policy. Like PIP, these policies tend to pay for medical expenses caused by bodily injury on a premises regardless of fault. The dollar amount of coverage varies, but it is generally less than what is offered by PIP. This coverage is harder to find and often takes a good attorney to uncover.

Liens for Third-Party Cases Pending Settlement

If there is no insurance available to a patient and bills are being held for payment pending a third-party action, a lien should always be filed. These need to be filed annually and copies should be given to the patient, the third-

party insurance carrier, and the patient's attorney. Share of the final outcome of a case could be calculated on a pro-rata basis if there are other healthcare providers that have filed liens. If a healthcare provider is filing a lien, that provider should make sure to keep the patient and his or her attorney advised as to the amount of the lien. The provider should understand the status of the case and how a lien might be affected by other healthcare providers' outstanding medical bills.

Sending Bills to Patients

It may be important that a healthcare provider vest a patient in his or her treatment by asking the patient to pay a small amount each month toward the balance of their outstanding bill, if there is no insurance available for immediate payment. Let your patient know the amount of money that is owed and set them up on a monthly payment plan, one which the patient can afford and one which will not interfere with his or her continued treatment. The more

a patient knows about his or her care and how much it costs, the more he or she will be interested in the final outcome of the case.

Payment from Judgments or Verdicts

Washington law, under the lien statute, provides that medical expenses are limited to 25% of any judgment or verdict. This means that if there are multiple healthcare providers who have held bills and filed liens in a case against a third party and that case goes to arbitration or trial, then each healthcare provider's bill will be subject to reduction depending on the amount of the judgment or verdict and the amount of other healthcare providers' bills pending payment.

Upcoming Seminar

Graham Lundberg & Peschel is holding a series of upcoming seminars entitled "Do you want to get Paid? Getting Paid In a Personal Injury Case." Sign up today for this informative and free seminar and learn more about the complex issues that often surround payment of health care in a personal injury case.

Attorney Spotlight

Rodney G. Zerr is an Associate Attorney for the South Sound Offices of Graham Lundberg & Peschel. He has been with Graham Lundberg & Peschel for almost three years, and is a great asset to our legal team.

Rodney likes working with people who need his help, and he is very good at it. Everyday brings new challenges for Rodney because each case is unique and offers new opportunities to learn new ideas and techniques.

Rodney received Quarterly and Yearly High Scholarship Honors while an undergraduate. In 1995 he earned his Bachelor of Arts from the University of Washing-

ton. He is a member of the Golden Key National Honor Society. In 1998, he received his Juris Doctor degree from Seattle University School of Law.

Current and past affiliations include the Washington State Bar Association, Kitsap County Bar Association, Washington Trial Lawyers Association, the American Bar Association – Young Lawyers Division, and the Tacoma-Pierce County Bar Association.

Rodney and his wife, Karin, live in Tacoma with their two cats, Harvey and Chloe, and their new pug, Sebastian. Both Karin and Rodney enjoy Mariner's and Rainier's games, traveling, and camping.



Case Review

How to Avoid Being Stuck with Unpaid Bills for Services Provided

By Cydney Campbell Webster, Attorney

Don't get stuck with outstanding bills when they could have been paid. We were contacted by a chiropractor who had an outstanding balance inquiring about how to get paid. In this particular case, the patient initially had personal injury protection (PIP) coverage that paid the patient's bills. PIP was quickly exhausted with emergency room care and diagnostic tests, along with the chiropractic and massage care the patient received. The patient did have health insurance, however, the chiropractor did not bill health insurance, but instead held the bills pending resolution of the third-party case. The patient's treatment continued on and the bills continued to mount.

Unfortunately, the patient's case did not settle and a lawsuit had to be filed. The case continued on and the bills remained outstanding. After the lawsuit was filed, the defense attorney did extensive discovery and uncovered some pre-existing conditions in the patient's case that impacted the patient's ability to prove the injuries from the motor vehicle collision were related to this particular motor vehicle collision on a more probable than not basis. As a result, the

patient received a low award that was not sufficient to pay all of the outstanding bills. The award came well over a year after treatment had ended.

In this particular case, because health insurance had not been billed in a timely manner, the chiropractor was unable to go back and bill the health insurance for the treatment rendered. Most health insurance companies require that treatment be billed within one year of the date of service. If the chiropractor had timely billed health insurance the chiropractor would have received more payment than the chiropractor received at the end of the case.

If a client requests that a healthcare provider bill health insurance, it is required that the provider do so per contract with the health insurance company. It is usually in the chiropractor's best interest to bill health insurance to avoid not getting paid at all.

It is important to consider all of your options regarding payment sources (see the companion article regarding payment options available). If you have any questions, the attorneys at Graham Lundberg & Peschel are always available to take your calls.



EDUCATIONAL SEMINARS: Getting Paid in a Personal Injury Case

Graham Lundberg & Peschel welcome you and your office staff to attend a **FREE Educational Seminar**.

Join us in a discussion regarding:

- **Documenting Evidence**
- **How to Increase the Chance of a Case Settling and Avoiding Court**
- **Responding to Insurance Requests**

This is one seminar you cannot afford to miss! Seating is limited so sign up today.

Wednesday, April 6

Tacoma – La Quinta Inn

Thursday, April 7

Everett – Quality Inn

Thursday, April 14

Port Orchard – McCormick Woods Country Club

Thursday, April 14

Seatac – Holiday Inn Express

Wednesday, April 20

Tacoma – Mickey O'Reilly's Restaurant

Thursday, April 21

Bellevue – Red Lion Bellevue Inn

Thursday, April 28

Seattle – Best Western Executive Inn

Enclosed is an RSVP form. Plan to attend this informative seminar!

- All Seminars: 12:30 – 2:00 pm
- Complimentary Lunch Will Be Served
- This Seminar is for Doctors, Therapists, and their staff!
- Doctors of Chiropractic, Massage Therapists and Physical Therapists will earn 1.5 CE credits
- Registration is limited to four attendees per office





We are a team of legal professionals working together to advocate for the injured while being recognized in the community for providing the highest level of service.

CONVENIENTLY LOCATED

For the convenience of your personal injury patients, we offer several meeting locations throughout Puget Sound and Peninsula communities. Attorney consultations are encouraged and always free.

- Auburn253-931-1111
- Bellevue425-827-1111
- Burien206-241-1708
- Everett425-252-1111
- Federal Way ...253-946-1111
- Gig Harbor253-853-5005
- Lakewood253-274-1111
- Lynnwood425-775-1111
- Marysville360-658-1111
- Olympia360-786-1717
- Port Orchard ..360-876-5005
- Puyallup253-845-1112
- Renton425-235-1111
- Seattle206-448-1992
- Tacoma253-627-7701

Or Call Toll Free

North Puget Sound area including King & Snohomish Counties
800-422-4610

South Puget Sound area including Pierce, Kitsap, Mason & Thurston Counties
800-273-5005

or visit us online...

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- Lisa Traudt
- Heather Webb

Administration

- Imagen Bush
- Terra Clendenin
- Diane Daniel
- Sacha Edens
- Teresa Garcia
- Lynne Golden
- Ann Harris
- Lorna Holland
- Heather Kelly
- Ann Maki
- Becky Moilanen
- Lucinda Pieczatkowski
- Erin Roudybush
- Melanie Shotts
- Dean Thomas

Coming in 2005

The 4th Edition of *Crash! Course 101*



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