

The Personal Injury Catch 22

We've all heard the term Catch 22, which Merriam-Webster defines as "a problematic situation for which the only solution is denied by a circumstance inherent in the problem or by a rule" and for many uninsured personal injury victims, they've found themselves in this predicament.

Let's take for example, Jane, a motorist who does not have health insurance. She is driving lawfully and is hit by a distracted commercial delivery driver. She is rushed to the emergency room for treatment of her injuries sustained in the accident and then released with instructions to visit her primary care physician if she continues to suffer. That emergency room bill is going to be expensive.

Now Jane is at home recovering from her injuries, unable to work and is terrified about keeping her bills paid and food on the table for her two young children. Knowing that dealing directly with the delivery service's insurance company is beyond her skill set, she engages a personal injury attorney to manage her case. Not only was her car totaled but she has sustained injuries as a result of the driver's negligence and is now unable to work.

As a result of the rear end collision, she experiences lingering pain in her neck and back and needs to see a doctor to be assessed. The problem is, she doesn't have the money to pay out of pocket and the defendant's insurance will not pay until the personal injury case is either won in a court of law or is settled. What is Jane supposed to do?

Here's the catch 22: Jane is unable to pay for the medical care she may need; but because she cannot afford to seek medical treatment, we have been told she may not be able to prove the extent of her injuries in order for her attorney to fight for the fair settlement she deserves. That is a tough situation for someone who was injured at no fault of her own.

So what are Jane's options?

1. She can suffer until the case settles and hopefully get enough of a settlement to cover taking care of injuries. Hopefully her condition does not worsen over time.
2. Her attorney can try to find medical providers that will agree to diagnose and/or treat her injuries by accepting a letter of protection or medical lien. Many providers do not like LOPs since they have to wait for the case to settle or if the case is lost they likely will receive no payment for the medical services rendered.
3. Her attorney can find a reputable medical funding company that will work with her attorney to understand the case and will agree to purchase the bills from the medical providers at a discount. This may enable the medical providers to get her the care she may need now.

The first option is pretty clear, wait it out and hope for the best. This may not be a viable option for Jane to deal with her pain. So let's dig into the last two options.

1. Find medical providers who will accept a Letter of Protection or a Medical Lien for her medical care.

First, a brief description of what these agreements are. We are not lawyers and do not provide legal advice, but we understand a LOP/Medical Lien to be an agreement between the medical provider and personal injury plaintiff via their attorney, where the personal injury plaintiff signs a document stating that the personal injury plaintiff will pay the medical

provider for the full medical bills when the case closes. If for some reason the case is lost, we understand the personal injury plaintiff typically is still fully liable for paying the entire bill to the medical provider.

Many medical providers tell us they will not provide services under an LOP/medical lien because their risk of non-payment or reduced-payment is too high. They know that the case can take months, if not years to settle – meaning their payment (if there is a payment) is tied up until then. Even worse is if the case is lost, they then have to try to collect their payment from the personal injury plaintiff who likely won't be able to pay, and will be faced with proceeding to collections or simply writing the bill off as bad debt. That's a pretty crummy proposition for a medical provider, therefore it is not a risk many quality medical providers are willing to take.

If Jane's attorney can find medical providers that will perform a diagnosis and/or medical procedures to help her recover, that's great. She can now concentrate on recovery while her attorney concentrates on winning her case. The risk to Jane is that if her case is lost or the settlement doesn't cover the medical bills, we understand she typically would still be responsible for paying them. That's a lot to worry about for an accident that wasn't her fault.

2. Jane's attorney may well decide that the best option for Jane is to find a reputable medical funding company to work with. So, what is a medical funding company anyway? A medical funding company is a company that will typically purchase medical bills from a medical provider at an agreed upon discounted rate, and pay the medical provider immediate payment. Since the medical funding company actually purchased the receivable from the medical provider, the medical funding company now has a lien on the personal injury case.

We at [HMR Funding](#) have worked with medical providers who likely would treat Jane's injuries, knowing that the payment issues have been resolved. The medical provider has provided their service, they have accepted a partial payment as payment in full, and therefore they are happy. The funding company has now taken the payment risk and understands the timing involved in a case closing.

Jane may still be struggling financially though, since she cannot work and provide for her family. She is worried about making ends meet while she is recovering. How does she pay her routine bills and general living expenses while she continues to recover and her attorney fights to get her justice? A medical funding company like [HMR Funding](#) can also help with pre-settlement funding, getting Jane the much needed cash to cover her living expenses.

This is also a good option for Jane, as the medical funding company provides the pre-settlement funding and typically purchases the bills from the medical provider all on a non-recourse basis, meaning they're only paid if her case is won or settled. Jane doesn't have to worry about the pre-settlement funding or medical bills if her case is lost for some reason.

In a nutshell, working with a full service medical funding company, like [HMR Funding](#), is a win, win, win for all involved. The plaintiff is able to get medical care she may need and living expense assistance, the medical provider is paid promptly and the attorney can focus on fighting for justice for his client.

Contact us now at 888-377-1245 or help@hmrfunding.com if you have similar personal injury cases where we may be able to help.

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