

LEGAL FOR LESS

AN INSURANCE TRAGEDY

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Not one person injured in a car accident wakes up that morning thinking, “I bet today is the day a careless driver will put me in the hospital.” But have you ever seen how many drivers are texting while driving on Route 22? And have you noticed that there are more trucks? The number of tractor-trailers in the Lehigh Valley corridors will double by 2019.

Yet, we never wonder how much insurance a negligent driver will have if he hit us. To be “legal” in Pennsylvania, a driver must carry a mere \$15,000.00 of liability insurance. If that driver veers into your lane of travel, will that \$15,000.00 cover six months of your disability, your absence from your work during physical therapy and rehabilitation? And what if that driver is instead one of the many uninsured drivers passing through the Lehigh Valley? Now, instead of \$15,000.00 to protect you, there are zero dollars to cover your losses. If you are a self-employed professional, can you survive being away from your business for six months? You can’t control how much insurance another driver carries to protect you. And yet, that driver can injure you, causing financial ruin. So, what can you do? Fortunately, this article provides that answer.

While you can’t control other drivers on the road or the amount of their coverage, you do have an inexpensive option in selecting automobile insurance that includes a provision for UNINSURED/UNDERINSURED MOTORIST BENEFITS, or “UM/UIM” for short. Here’s how UM/UIM works: A 32 year old financial advisor in the Lehigh Valley spent three months in the hospital following a head-on collision in which she sustained a severe concussion and a broken pelvis followed by two months at a rehabilitation facility. She then returned to work three hours a day, while still receiving cognitive therapy. She was making slow progress and continued to require narcotic pain medication to get through the day. She was finding she could no longer retain information as she did before the impact. A medical and vocational economist might show the value of her case to be \$3.8 million when her future lost earning capacity was considered through the age of retirement.

If the driver who caused the collision carried \$15,000.00 of liability insurance, that would typically be paid immediately. Without UM/UIM coverage, this professional might lose her home, and be unable to get the best therapy in the future. However, for a relatively low premium payment, she could have added UM/UIM coverage to her own automobile policy. As soon as it was determined that the responsible driver lacked insurance or sufficient insurance (in other words, he is either uninsured or underinsured), the UM/UIM coverage would be available.

This coverage is critically important, especially to any self-insured professional. It covers all damage to a person’s earning capacity, unpaid medical expenses and pain. Amazingly, your rates should not increase, and your coverage will not be impacted if a UM/UIM claim is made. And, by directing your agent to “stack” your UM/UIM coverage on each vehicle, the coverage becomes a multiple of the number of vehicles that you own. For example, someone owning three cars with \$100,000.00 of stacked UM/UIM coverage would actually have \$300,000.00 of this safety net insurance for any one accident.

As a lawyer representing people who have already been injured, I can only tell my clients that I wish they had protected themselves with strong UM/UIM coverage. Once they are injured, it is, of course, too late. Such coverage can’t restore a person’s health but it can keep him or her financially solvent and independent, and that is sometimes as close to justice as we can get.

I urge you to write yourself a note to check with your insurance agent that you have as much UM/UIM coverage as you can reasonably afford.

I’m always interested in what my doctor takes as her cholesterol-reducing drug, what my architect friends use as siding on their own homes and where my own investment counselor invests his own money. Feel free to contact me, as I would be glad to share with you my levels of coverage and the premiums I pay after spending more than 25 years representing injured victims in the Lehigh Valley. Adding UM/UIM coverage may be the single best insurance decision you will ever make.

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