

Why Is It Important to Have Med-pay on Your Auto Insurance?

Did you ever wonder why your auto insurance company encourages you to use your health insurance coverage rather than purchasing med-pay on your auto insurance policy? You can bet the reasons have nothing to do with your health or your wallet. Here are some facts you need to know if you are considering saving a few dollars by not purchasing or eliminating the med-pay portion of your auto policy.

1. **Self-Preservation:** Despite the law in California, many people drive without auto insurance. In some areas, this figure has been estimated to approach 50%. Thus, you cannot reasonably expect the guilty party will be able to pay your medical expenses in the event of an accident that is not your fault. Auto Med-pay will protect you in these situations.
2. **Protect Your Passengers:** even though you, the owner of the motor vehicle, may have other health insurance coverage, your passengers may not. Having auto med-pay protects them as well. They can get immediate treatment for any injuries sustained from an auto accident in your car without out-of-pocket expenses.
3. **No Unreasonable Restrictions on Med-pay Coverage:** unlike many healthcare plans, especially in managed care, med-pay usually does not have unreasonable restrictions on what is or is not covered. If you need chiropractic care and more than one or two modalities/procedures, it is usually covered. If you need supplies, there is usually no unreasonable dollar cap. If you need to go to the ER or to the hospital, you usually do not have to worry about authorization. If you want to see a specialist of your choice, you can usually do it.
4. **Conserves Your Limits Health Insurance Benefits:** It is best to save your limited health insurance resources for other times. Often after patients settle their auto claim there is still a need for continuing chiropractic care. In the event of auto accident, if you use med-pay for your chiropractic care, you will still have your limits health insurance benefits for subsequent care.
5. **Minimizes Interference with your PI Case:** The more difficulty you have in obtaining all the medical care you need, the more likely it is that you will receive less care than you need. Such a scenario typically results in a lower settlement for your PI case, since your total medical bills are one of the prime determinants of your final compensation for your injuries.
6. **Med-pay is an Excellent Value:** Med-pay is relatively inexpensive. For example, for about \$50-100/year, you can have \$5000 coverage for yourself and every passenger in the car. If you are driving with four passengers that amounts to \$25,000 in available coverage. That is the best auto insurance deal around. Having auto med-pay is a smart investment.

Why You Should Use Your Med Pay In Auto Accident Cases (California Edition)

If you have been given this form, the following statements are probably true:

1. You have been involved in an auto accident.
2. The auto accident probably wasn't your fault.
3. You have your own auto insurance that covers medical insurance (med pay).
4. Your Doctor of Chiropractic has requested your own auto insurance information for billing purposes.
5. You are hesitant about using this med pay portion of your auto policy.

There are probably 2 major reasons for this hesitation.

1. Many people believe that if they use their med pay in an auto accident case that wasn't their fault, their auto rates can be increased as a result. NOT TRUE. State law (Section 491 of the California Insurance Code) makes it illegal for the auto insurance company to do this. PERIOD!
2. Many people have strong convictions against using their own med pay to cover the effects of someone else's mistake. While this argument works somewhat on an emotional level, rationally it makes little sense. Would you still choose not to use your med pay if the responsible party had no insurance and was unable to pay out of his/her pocket? Of course not. It is your own insurance company's responsibility to seek reimbursement for your medical expenses from the responsible party. So don't worry about that. Your primary job after an auto accident is to get well as fast and as completely as possible. You paid regular premiums for the right to have med pay, so why not use it when the need arises? As you will see by reading the following, there are many advantages to using your med pay.

Advantages to using your own med pay.

1. You can go wherever and to whomever you want for treatment. Most med pay policies do not have the restrictions found in managed care and other insurance companies. The ability to choose how to use the medical care allowance provided in your policy gives you enormous freedom to get exactly the care you desire. As long as your care is reasonable and necessary, you are not at the mercy of the typical arbitrary restrictions seen in non-med pay coverage. Thus, if your doctor determines you need a MRI or other special test, you can typically get one without delay.
2. By using your med pay, you don't have to use up your limited health care benefits. As you are probably already aware, most health insurances have limited *yearly* maximums in coverage. This means that if you use up your coverage for the year on the auto accident, you will have no insurance coverage the remainder of the contract year. Med pay insurance coverage is per *incident*, not per year, so even if you were to have another auto accident that same year, your coverage is not diminished.
3. If you don't use your med pay, have no personal health insurance and are not willing or able to pay cash, the office where you seek treatment will most likely require that you sign a lien. A lien is a legal document that guarantees you will pay, even if the third party payor refuses to cover your treatment, which may include penalties and interest for failure to pay by a certain time. If the medical establishment does not honor liens, you will *not* be able to get treatment or diagnostic procedures at that facility.
4. When using your med pay, your treating doctor doesn't have to wait until the resolution of your case to get paid. When one depends solely upon the third party payor (the auto insurance company of the person who caused the accident), medical bills are not usually paid for many months. While many doctors endure this wait as a courtesy to their patients, this delay is unnecessary if you have med pay.
5. When you use your med pay coverage, you typically have the protection of the Bad Faith laws in California. This protection helps assure that you will be treated fairly by the auto insurance company. A Bad Faith violation could cost your auto insurance a small fortune, so you have considerable leverage on your side. Third party payors are typically exempt from such Bad Faith laws in California, so this same protection does not exist, making you vulnerable to abuse.

OUR OFFICE STRONGLY RECOMMENDS THAT YOU USE YOUR MED PAY POLICY TO COVER TREATMENT FOR YOUR AUTO ACCIDENT INJURIES. THANK YOU FOR YOUR COOPERATION.