

Auto Insurance - What is Medical Payment Coverage?

(Is It Worth the Money?)

Legal View

By Jeffrey R. Kelley, Esq.

When a client is injured in a car crash, one of the first things I find out is if my client has medical payment coverage (“Med Pay”) on their auto insurance policy. It may seem odd to look to your own policy to cover your medical bills, but if you need to, it can be of great, immediate value. Med Pay covers many potential costs that may be incurred in an accident, including the driver and their passengers up to the amount of coverage selected, such as emergency room or ambulance expenses, health insurance deductibles, out of network providers and even subrogation (reimbursement) that may be owed to your health insurance company. No determination of fault is required, you simply call your auto insurance carrier and open a claim. They will have you send them bills for payment or reimbursement if already paid. So yes, it can be well worth the upfront cost on your premiums to have Med Pay coverage if needed.

Why Should Your Insurance Pay If It’s Not Your Fault?

Med Pay will be paid by your auto insurance company regardless of a determination of fault – this means it will be paid sooner rather than later. This is coverage you elect to purchase with your auto insurance policy and to be used when needed, as long as the claim results from a motor vehicle collision. This coverage will extend to your passengers and even protect you if you are a pedestrian or bicyclist hit by a car or motorcycle. Med Pay is considered “primary” coverage in Colorado and sometimes must be exhausted prior to health insurance benefits being triggered. This kind of coverage is also helpful if the other driver is uninsured or underinsured. An experienced personal injury attorney will know how to determine if Med Pay benefits are available and coordinate the payment of these benefits to maximize coverage and avoid medical liens.

Is Med Pay Coverage “Important” in Colorado?

Yes, our Colorado legislature considers this coverage so important, that you must be offered \$5,000 of Med Pay coverage at the time application is made to purchase your car insurance policy. If you do not want to buy Med Pay coverage, Colorado law (C.R.S. 10-4-635) requires you to *decline such coverage in writing* on a form that the insurance agent must maintain in your file *for three years*. This proves that that you knowingly and affirmatively chose to reject Med Pay coverage. If the insurance company cannot produce your written rejection of this coverage, \$5000 in benefits must be provided to you.

As pointed out in prior articles, if you do not confirm the amount and kind of coverage carried on your vehicles, it can be a harsh reality to find that you are completely dependent on the other driver’s coverage (if any), your health insurance (which may be entitled to be reimbursed for what it pays out) or face a hospital collection claim against you if there is no Med Pay coverage. Contact your insurance company and find out if you accepted or rejected Med

Pay coverage, and if rejected, ask how much it will cost to have the minimum coverage. You might be surprised how affordable it is to be protected with Med Pay coverage if the unexpected happens.

Do you have a legal question? Send your inquiry question to Jeff@klfpc.com.
Appointments are available in both Black Hawk and Denver offices.

Note: While very effort has been made to ensure the accuracy of this information, it is published for general information and not intended to provide specific legal advice as individual situations will differ and require full analysis by an attorney of the specific facts involved.