

“PIP”

By: Allcott Andalman, Esq.

What is it?

PIP, or Personal Injury Protection, is a type of auto insurance coverage offered that provides money for medical treatment and lost wages in the event that you are injured in a car accident.

PIP is what's called “no fault coverage.” In other words, if you have PIP coverage you can collect benefits no matter who was at fault for the accident. PIP benefits are independent of liability insurance. Therefore you may receive PIP benefits even if you collect payment from medical insurance and/or from liability coverage from an at-fault driver's insurance company.

Generally PIP benefits are limited to \$2,400, \$5,000, or \$10,000, depending on the level of coverage you purchase.

Do I have it?

If you live in Maryland, your insurance company is required by law to offer you PIP coverage when you sign up for your policy.

Many people don't understand PIP and insurance companies often don't do a very good job of explaining it. If you are not sure whether you purchased PIP coverage, check the declarations page of your insurance policy – or simply call your insurance company and ask.

Do I need it?

PIP coverage can be a tremendous help in the event that you are injured in a car accident. It is relatively inexpensive (a few dollars a month) and if you need it you'll be very glad you have it.

Additionally, if you do not have medical insurance, PIP coverage may be the only way to pay medical bills for injuries caused in an auto accident. Any you can take advantage of PIP even if you were at fault for the accident.

Also, when you purchase PIP coverage, it may not only protect you, but also passengers in your car and you and family members if you are injured as a passenger in someone else's vehicle.

How and when do I file for PIP benefits?

Once you determine that you have PIP coverage, you should contact your insurance company and request a PIP Application for Benefits. Fill out the application and return it along with your itemized medical bills and complete

medical records. You may also choose to sign a HIPPA waiver to allow the insurance company to collect your records directly from your doctors.

If you were a passenger in someone else's car at the time of the accident, you should file with the driver's insurance company. If the driver does not have PIP, you can then file with your own auto insurance company, provided that you have coverage when you are not the driver.

It is very important that you submit your application within one year of the date of the accident. If you wait longer than one year, you may be barred from collecting any PIP benefits for yourself or your doctors.

Unlike liability claims, which typically must be filed within three years in Maryland, and for which you normally wait until after you finished medical treatment before you can value the claim and make demand for payment, PIP applications are often filed before you complete medical treatment. Your insurance carrier often pay the medical bills submitted with a PIP application as they arise.

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