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Georgians pay premiums on coverage they may never see
Georgians will actually get what they pay for with the passage of SB 276

Atlanta-- Insurance companies in Georgia collect premiums on Uninsured/Underinsured Motorist (UM) Coverage and may never pay it out—even if you are in a catastrophic accident. In a year that the Insurance Companies are raking in record profits (“Insurers’ profits skyrocket”, AJC, 3-27-2007) consumers continue to pay for elective UM Coverage (UM is not required by law), thinking that if they were a victim in an accident they may need to access that money, and often, they cannot.

Lauren Anderson, a 23-year old in Augusta found out about this the hard way. She was hit by a drunk driver—who had 2 prior DUIs. Her injuries were catastrophic—with damages over \$200,000. She lost her spleen, she is permanently disfigured, and continues to suffer with a host of other medical problems caused by the accident.

The driver had a \$100,000 policy. Lauren had a \$100,000 UM Policy that she had chosen to purchase with her regular coverage. Lauren was able to collect the \$100,000 on the driver’s policy, but because of current law, Lauren could not access her UM policy leaving her with tens of thousands of bills unpaid and medical conditions she will be dealing with for the rest of her life.

What Lauren didn’t know was that UM Coverage can only be used if the motorist is completely uninsured or if the coverage they purchased is more than the at-fault driver’s coverage. Had Lauren had a UM policy for \$150,000—she would only have been able to use \$50,000.

Lauren thought she was electing to purchase UM Insurance—and paying monthly premiums on that insurance—just in case something happened to her. She thought she would get what she was paying for. Now this young woman hit by a drunk driver is incredibly in debt. SB 276 would change this scenario.

Under the proposed law, SB 276 authored by Senator Cecil Staton, you would be able to access your UM Coverage as it would allow you to stack your coverage on top of the at-fault driver’s to the extent of your damages. **SB 276 ensures that Georgians will get what they pay for.** Twenty-three other states, including our neighbors Alabama, Florida, and South Carolina have similar measures that allow consumers to actually get what they pay for.

“Sadly most people don’t know that they can’t access this coverage until they are in a bad wreck,” said Chan Caudell an attorney in Cornelia. **“Often I get calls from people who are injured, missing work, and don’t know how to cover their bills and feed their families. They thought the insurance they had chosen to purchase would help them. Unfortunately, I have to tell them it won’t. SB 276 would change that.”**

Not surprisingly, the big insurance companies oppose SB 276, they say that it would increase premiums for UM Coverage. **The industry’s own numbers show that SB 276 would increase the premium for \$25k in UM Coverage no more than \$3.70 a month. And UM coverage is NOT mandatory under GA law, so no one will be forced to pay higher premiums under SB 276.**

Insurance Commissioner John Oxendine has just recently come out against the bill—citing different numbers every time. He said that SB 276 would have minimal benefits (Morris News Service, 4-11-2007). To Lauren Anderson those benefits would have been great.

Georgians deserve to get what they have paid for. SB 276 is good for consumers.

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