

**SAMPLE LETTER
TO TRANSMIT SETTLEMENT ACCOUNTING**

To minimize client confusion or misunderstanding: (1) have the client “sign off” on the settlement accounting; (2) obtain written consent of the client before paying medical bills out of settlement or judgment proceeds; (3) if PIP or health insurer liens are involved (including Medicare, Medicaid, or Oregon Health Plan), review ORS 742.536-742.538 and record a Satisfaction of Lien if appropriate. See the PLF practice aid “Settlement or Judgment Disbursal Checklist for Payment of Medical Bills or Liens,” available on the PLF website, www.osbplf.org

RE: [Subject]

Dear [Name]:

Enclosed are an original and copy of the settlement distribution in your case.

Under our fee agreement, we are entitled to [insert percent]% of the [*insert gross settlement amount, gross settlement less PIP, or other applicable language*] settlement, or \$ [*insert amount*], in payment of services rendered. This sum will be deducted from the proceeds that you are due, along with other costs and obligations (such as reimbursement for past insurance benefits paid on your behalf). The enclosed accounting includes a complete itemization of all deductions. Any additional outstanding medical bills are your responsibility unless you instruct me to make specific payments out of your settlement proceeds before we disburse the net proceeds to you.

You should consult with an accountant or tax attorney to be sure of the potential tax consequences of your recovery and whether the recovery should be reported for income tax purposes. Understand that neither my office nor I will advise you regarding your tax issues.

Please review the accounting carefully. If it meets with your approval, please sign and date the original and return it to our office in the enclosed postage-paid envelope. Please retain the copy for your records.

If you have any questions about the accounting, please contact me immediately. We hope to distribute the settlement funds on [*insert date*], provided the insurance carrier’s check has cleared the bank.

Truly yours,

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