

## Indiana Law on Insurance Limits Being Presented at Trial After a Car Accident Have Changed

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This point of this blog is to explain the changes to personal injury law that have resulted from *State Farm v. Earl*, 2015 WL 3608850 (Ind. 2015). In order to do that it will first need to be explained when that change may effect a personal injury case and what the previous law was.



## What Happens When You Are Involved In A Car Accident With a Person With No Insurance or

### Too Little To Cover Your Injuries?

As [Indianapolis Personal Injury Lawyers](#) we deal with answering this question on a regular basis. Although having [insurance](#) is a requirement to registering a vehicle, there are thousands of drivers out there driving without it or with so little that a serious injury would not

be covered. If you have been involved in an accident with an uninsured or underinsured driver you may find yourself having to deal with your own insurance company which will provide coverage up to whatever uninsured or underinsured motorist coverage you have purchased.

Many consumers think that because it is their insurance company they will be treated reasonably, but that is generally not the case. If you find yourself being treated unfairly by your own insurance company then our [Indianapolis Car Accident Lawyers](#) can help. We have years of experience in handling cases where insurance companies engage in unfair claims practices and know what it takes to fight for you. In many instances, your insurance company will refuse to be fair and force your case to trial even if the value of your claim exceeds the uninsured or underinsured limits of your policy.

In Indiana Insurance companies have historically prevented injured accident victims from proving the amount of insurance they had purchased during the trial. Indiana law has historically allowed Insurance companies to keep the limits of insurance policies from being presented at trial, claiming doing so would overly prejudice the jury. The fear of the insurance companies is that once the jury finds out about the amount of insurance you have been paying premiums for

(often for several years) they will award you the full amount of your insurance policy. The court has overwhelmingly agreed with this thought process and barred plaintiffs from introducing the policy limits. As you will see, the court's opinion on this has now changed.

### The Changes of *State Farm v. Earl*

On June 9, 2015 the Indiana Supreme Court issued a landmark opinion addressing this issue. In [Earl](#), the Indiana Supreme Court stated that the insurance policy limits are admissible before a jury in a first party contract action (an uninsured or underinsured motorists claim) by an insured against their insurer. They did however state, "our decision today does not stand for the proposition that coverage limits are always admissible," leaving things a little unclear. Given the limitations placed on the decision, an in depth analysis of the case is warranted.



James Earl was a grandfather, an athlete, and a business owner. He lived in Southern Indiana and loved the outdoors, hunting, and fishing. He also rode [motorcycles](#). On September 3, 2008 while he was riding his motorcycle south on Interstate 65 in Scottsburg, IN a [Semi-Truck](#)

entered his lane causing him to swerve into the median. He suffered a broken collarbone, shoulder blade, and ribs as well as a pulmonary contusion, collapsed left lung, lacerated liver, blood clotting, and other cuts and bruises. He was hurt badly, there was no doubt. Eventually, Jerry passed away from unrelated causes and his wife filed his claim. His family sued his uninsured motorist's carrier, State Farm, because the semi driver never stopped leaving resulting in it being impossible to determine who he was.

As a matter of fact, James purchased insurance with motorcycle/automobile uninsured limits of \$250,000.00. [State Farm](#) refused to pay the family the limits of his policy even though he suffered severe life changing injuries as a result of the accident. The Earls were forced to go to trial and the Jury returned a verdict of exactly \$250,000.00 after the limits of the policy were admitted into evidence. State Farm appealed stating that the Trial Court should never have allowed the Jury to know the amount of coverage limits that the Earls carried under their State Farm Policy.

The case was appealed and eventually found its way to the Indiana Supreme Court, which rendered its opinion on June 9, 2015. The Justices agreed that in this type of uninsured motorist

case where the claim made was pursuant to the insurance contract, **the insurance policy limits were relevant and admissible before the jury**. They did limit their positions, however, by saying that the limits are not always admissible but they would be in this type of situation because of the nature of the injuries. The Supreme Court recognized that introducing the insurance policy limits could have an impact on the amount of money that the jury awards but they reasoned that although that is a possibility that danger did not outweigh the probative value of those limits and they should be admitted regardless.

#### What Will Happen In Future Uninsured/Underinsured Motorist Cases in Indiana?

Indiana Courts will essentially allow Plaintiffs in an uninsured/underinsured motorist claim in the future to introduce evidence of the amount of the policy limits if their injuries were bad, or at least to the level of the injuries in this case. This will allow the jury to make an informed decision as to what the damages should be. It should allow the plaintiff to recover the full value of their claim and their bargained for insurance coverage as provided by their contract in serious injury cases. Insurance companies now may be more hesitant to fight uninsured

motorist's claims involving serious or catastrophic injuries because they know that the jury will be made aware of the policy limits and as a result award the insured plaintiff the amount he or she bargained and paid for.

Contact An Experienced Personal Injury Lawyer in Indianapolis, IN

If you or a loved one was injured in a car accident contact an experienced [Personal Injury Lawyer in Indianapolis, IN](#). Injuries resulting from car accidents require quick and experienced legal and investigative response to preserve any evidence and help present your case in the best light possible. Our attorneys are experienced at helping those injured receive the financial compensation they need after their injuries. If you or a loved one was injured in a car accident contact the Attorneys at the [Indianapolis Law Office of William "Bill" Hurst](#) or call us toll free at (800) 636-0808 for a free consultation. [¡Hablamos Español!](#)

