

## SETTLEMENT CAP LETTER OF PROTECTION

**Date:** [Date]

**TO:** [Medical Provider Name]

**Address:** [Provider Address]

**Patient:** [Patient Name]

**Date of Incident:** [Date of Incident]

Dear [Contact Person or Provider Name],

Please be advised that this office represents [Patient Name] in a claim for personal injuries sustained on the date referenced above. My client is seeking medical treatment from your facility for injuries related to this incident.

In consideration of your agreement to provide medical services to my client on credit and to defer payment until the conclusion of their legal claim, I hereby acknowledge this Letter of Protection subject to the following settlement cap:

**1. Lien Agreement:** My client hereby grants a lien to [Medical Provider Name] against any settlement, judgment, or verdict obtained as a result of the aforementioned incident.

**2. Settlement Cap:** Notwithstanding the total amount of charges incurred, it is expressly agreed that the total recovery for your facility from the settlement proceeds shall not exceed **[\$Dollar Amount]** or **[Percentage]%** of the net settlement, whichever is lesser, unless otherwise renegotiated in writing.

**3. Payment from Proceeds:** I agree to withhold such funds from any recovery received and to pay [Medical Provider Name] directly for services rendered, up to the agreed cap, prior to any distribution to the client.

**4. Patient Responsibility:** This agreement does not relieve the patient of their ultimate responsibility to pay for services rendered should there be no recovery or if the recovery is insufficient to cover the capped amount.

Please sign below to indicate your acceptance of these terms and return a copy to my office.

Sincerely,

[Attorney Name]

[Law Firm Name]

**ACCEPTED AND AGREED:**

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[Authorized Representative of Medical Provider]

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[Patient Signature]