

If you have been injured, one of the primary things you may be worried about is how you're going to pay your bills. Depending on the severity of your injuries, your medical bills can be exorbitant and you may be unable to work. As a result, many accident victims are reluctant to even talk to a lawyer for fear that they will wind up with another expensive bill to pay. Understanding how [personal injury attorneys](#) bill for their services is important so that you can get the help you need to rebuild your life.

## Understanding Contingency Fees

Without a doubt, attorneys are expensive. In many practice areas, lawyers bill at an hourly rate in tenths of an hour. Depending on their practice area and level of expertise, they could charge hundreds of dollars per hour or even over \$1,000 per hour. Under this model, you would have to pay thousands of dollars out of your own pocket to have them handle even a relatively uncomplicated personal injury claim.

Recognizing that accident victims rarely have the ability to pay those kinds of legal fees, almost all personal injury lawyers bill on a contingency fee basis. In the context of a personal injury case, this means that the lawyer is not paid any legal fees unless they are able to recover compensation on your behalf.

Furthermore, their fees are paid from a portion of the compensation they recover. This means that you do not pay any legal fees out of your pocket, upfront or after the fact.

If your claim is unsuccessful and they are unable to get you any compensation, you do not pay any legal fees at all.

## Contingency Fees Minimize the Financial Risk for Accident Victims

Ultimately, the contingency fee arrangement allows injured people to get legal help without having to worry about legal fees. Furthermore, there is no risk to the client if their claim is unsuccessful. In addition, a contingency fee arrangement encourages personal injury lawyers to be candid in their assessment of potential cases – they cannot afford to waste time or resources pursuing a case that has little chance of success.

## How the Contingency Fee is Calculated

The typical contingency fee is calculated as a percentage of your gross compensation, usually as one-third or 33.33%. For example, if the insurance company offers to pay you \$800,000 in compensation for injuries suffered in a [car accident](#), your lawyer would be entitled to \$266,666.66 dollars.

Generally speaking, this percentage would apply regardless of whether it took six weeks or six months for your lawyer to settle your case.

Before engaging an attorney, you should make sure you fully understand how their contingency fee works and how it is calculated. They should be willing to discuss this at your initial consultation.

Another issue you want to discuss is whether any costs – filing fees or other expenses – will be paid from the contingency fee. Some of these fees can be significant, and you want to know up front whether these will be paid from the attorney's fee or whether they will be in addition to their fee. You also want to understand whether you will be liable for these costs even if your claim is not successful.

## How Are Funds Disbursed?

Whether your case is settled with the insurance company or a verdict is returned in your favor at trial, a check will eventually be sent to your lawyer. They will deposit the check into their trust account and then deduct their legal fees along with any other expenses that need to be paid from the proceeds. The remaining funds will then be paid to you in a check drawn from the attorney's account.

Keep in mind that various medical expenses and other bills may need to be paid from the proceeds as well. Your attorney may coordinate payment and issue checks for those expenses as well. That way, you do not have to worry about paying them or them pursuing collection against you. Talk with your lawyer about how those bills will be paid.

You will receive a full accounting of the disbursements made from the proceeds along with your check so that you can understand how the proceeds were applied. The disbursement process should be fully transparent, and you should not hesitate to ask your lawyer any questions you might have.

## Injured? Contact a Personal Injury Lawyer at Martin & Jones Today

We have been helping injured North Carolinians get fair compensation for their injuries for 40 years. We understand the financial challenges that an accident can present – challenges that can change your life forever if you don't get the

compensation you need. That's why we provide tireless, compassionate legal representation for those people who suddenly find themselves wondering how they are going to pay their bills. And we promise a fully transparent fee arrangement so that you know what to expect when we obtain the compensation you need. From paying your bills to protecting your rights, we're here to help you every step of the way. To discuss your case and how to move forward, call us today at 800-662-1234 or [contact us online](#) to schedule a free, no-obligation consultation.