

How do Insurance Companies Calculate Pain & Suffering?

Let's say that you are in a [motor vehicle accident](#). You're injured, stressed, and probably dealing with an insurance company, trying to negotiate a settlement. But how much compensation are you actually entitled to for your injuries?

Sure, you can recover economic damages such as medical bills and lost wages. But general, non-economic damages such as pain and suffering are likewise factored into the total value of your claim. So how do you go about figuring out how much your claim is worth?

First, it's important to define what *Pain & Suffering* means legally—the physical pain associated with an injury, as well as the emotional and mental injuries that follow. In nearly every [personal injury](#) case, the victim is entitled to compensation for their pain and suffering. When it comes to how insurance adjusters calculate this figure, however, there is no clear-cut rule.

The Multiplier Method

Many insurance companies utilize the *Multiplier Method* when calculating pain & suffering damages. The Multiplier Method involves multiplying the economic damages suffered by a victim by a number between 1 and 5 (1 for less serious injuries, 5 for the most severe injuries).

For example, if a personal injury victim racks up \$10,000 in medical bills and lost wages, they may multiply that figure by 3, meaning that \$30,000 would be reasonable compensation for their pain and suffering.

The Per Diem Method

With the per diem method, pain & suffering is calculated based on a daily rate assigned to each day between the accident and the victim's *Maximum Medical Improvement* (MMI). This rate is often based upon the amount the victim typically earned in wages per day prior to the accident (let's say \$300.00/day). If the victim returns to work after 90 days, \$300.00 is multiplied by 90 days to determine a reasonable pain and suffering figure—in this case, \$27,000.

Other Factors

Insurance adjusters will likewise look at past jury awards in similar cases—and may even use computer programs—to better assess the value of your claim. Documentation such as personal journals, treatment from mental health professionals, and photographs are all important in proving the value of your claim to the insurance company.

To protect the value of their claim, personal injury victims should contact the attorneys at Wilshire Law Firm. Our outstanding team of over 100 legal professionals will conduct a thorough accident investigation, arrange access to the best medical care, and handle all insurance-related paperwork and negotiations.

With hundreds of millions of dollars recovered since 2007, don't compromise when it comes to your accident claim—discover the superior legal services of Wilshire Law Firm. Get started with your FREE case consultation today by calling (800) 522-7274, or fill out our [online contact form](#).