How a $5k "courtesy" offer became a $100k payout
1 message

[redacted]

Fri, Aug 7, 2026 at 10:07 AM

THE LAW VENTURE LETTER

The $95,000 Reputation Tax

How refusing "normal" insurance outcomes turned a lowball offer into a full policy tender without showing a single exhibit.

A few months ago, GEICO sent me a formal response to my client's UIM demand.

My client had $19,108 in past medical bills. On his behalf, I recovered the tortfeasor's $30,000 policy limit, plus my client's $10,000 in PIP.

This gave GEICO a total of $40,000 in offsets against its UIM coverage.

GEICO's defense counsel laid out the standard defense posture:

- Bills didn't exceed the offset
- No medical treatment in two years
- My client was "fully compensated" by the $40,000 recovery.

Then came the punchline:

> "Despite the belief that your client will be fairly compensated by the offset already provided, GEICO has previously made two courtesy offers. The last courtesy offer of $5,000 remains open."
>
> *- Response to my client's UIM demand.*

Translation: *Here's $5,000 to go away.*

I'll confess, low-ball offers always frustrate me. While I know they eventually lead to more money for my clients, it's a sad reminder that insurers won't hesitate to withhold money their insureds are rightfully owed.

So, I went to work building the case for bad faith.

I sent numerous notices to establish knowing violations. I pushed GEICO to take unreasonable positions in writing. I used discovery to expose how they mistreated my client.

Fast forward to mediation.

I intentionally selected a mediator who watched me collect well over $2 million from bad-faith cases (stemming from UM/UIM setups) in the last 18 months.

When the mediation started, GEICO assumed my client would negotiate *down* from his demand for full policy limits.

Instead, we flipped the table (figuratively, this isn't an episode of *Suits*).

Because of the bad-faith foundation I laid, I took the position that mediation was for a **global settlement of all claims** -- meaning I demanded an amount far beyond the policy limits to release GEICO's extra-contractual exposure.

This put GEICO at a fork in the road:

- Assume I was delusional and walk out; or
- Re-evaluate the true downside risk of staying in the fight.

The mediator spoke with the defense and delivered the reality of what he's seen other insurers pay my clients when I take a UIM claim down the bad-faith path.

I later found out that the defense lawyer paused, nodded, and admitted she had already called another defense firm to vet me -- and got the exact same warning.

When the mediator returned to our Zoom room, he asked if $100,000 (full UIM limits) would resolve the entire case today.

Ultimately, my client chose the quick, guaranteed $100,000 payout over the bad-faith litigation path.

Result: GEICO's $5,000 "convenience" fee turned into the full $100,000 tender.

3 KEY TAKEAWAYS

First, leverage is built long before mediation. Build in silence beforehand.

Second, leverage is made up of (1) the case's strengths; and (2) your reputation.

Third, you build a reputation by getting unexpected results. Become a disrupter. When I first started bringing this mediator my bad-faith cases, his Mediator Proposals were too low. As a result, I would end mediations with: "T*ell them our take-it-or-leave-it offer is $X.*" When insurers repeatedly took those higher offers, the mediator had to recalibrate how he evaluated my cases.

WHAT'S NEXT?

I'm currently building a complete UM/UIM Bad-Faith Course breaking down my exact blueprint through real cases like this.

It will drop exclusively inside our private community for plaintiff's lawyers.

If you're a plaintiff's lawyer, come join us by clicking here so you don't miss the course!

YOU MAY BE INTERESTED IN:
Tools for PI Lawyers | Sponsor This Newsletter

Wishing you massive success (on your terms)!

See you next week,

Jarrett Stone
Founder, Law Venture