



August 19, 2003

Attorney Ellen H. Tangen
Milwaukee City Attorneys Office
200 East Wells Street #800
Milwaukee, WI 53202-3515

Re: Edward M. Stenzel, et al. vs.
Patricia E. Gaber, et al.
Milwaukee County Case No. 02-CV-011658

Dear Attorney Tangen:

I am writing to request authority to settle the subrogation claim relative to the above-referenced matter.

This claim involves an accident of July 22, 2001, wherein the plaintiff was operating his motorcycle as the defendant allegedly pulled from a stop sign, allegedly failing to yield the right of way, and causing a collision with the plaintiff. Wisconsin Physicians Service Insurance Corporation (WPS), as the claims administrator for the City of Milwaukee self-funded health plan paid \$13,804.60 in medical expenses related to the treatment for the injuries sustained by the plaintiff in the accident.

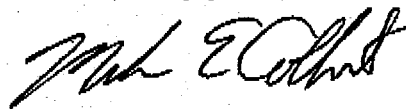
This matter proceeded to mediation on October 12, 2003, and the plaintiff settled his claim with the defense for \$52,000. He has requested that WPS reduce its subrogation interest by 1/3, which would amount to a total recovery for WPS of \$9,203.07. Because this matter involved an intersection accident in which the plaintiff was moving at the time of the impact, there would likely be some contributory negligence placed on the plaintiff, so it is doubtful that, in any event, a jury would award the entire amount of the medical expenses. The plaintiff indicates that the total medical specials were approximately \$17,700. Given that the plaintiff has settled for \$52,000, and assuming that WPS accepts the plaintiff's offer to pay 2/3 of the subrogated interest, the plaintiff is netting a recovery of approximately 60 percent of what I would view as the value of his claim in a perfect world in which liability was not at issue.

I believe that a recovery of 66 percent by WPS is a very good recovery, and I would ask for your authority to accept the same.

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I understand that pursuant to your standard procedures, you will be placing this request before the City Council. I look forward to hearing from you soon.

Very truly yours,



Mark E. Colbert
Attorney

MEC:lln