

Filing Your Automobile Insurance Claim

Every year millions of consumers file claims with their insurance agents and insurance companies. The trauma of an auto accident or theft is stressful enough without having to worry about your insurance claim.

The following information, prepared by the Independent Insurance Agents of America, is designed to help you understand the claims process. Your independent insurance agent will be there to ensure your claim is handled promptly and fairly.

Taking It To The Road

There are two basic types of claims. The first involves loss or damage to your automobile. The second type is a liability claim which arises when someone else suffers an injury or damage to their property because of something you did or did not do.

For example, if you run a stop sign and hit another vehicle, you could be liable for the damages to that vehicle and any injuries that may have occurred. Liability claims may result in a lawsuit against you. To cover these two key areas, most auto policies subdivide the coverage into the following categories:

- **Auto liability** covers damage to other people's property and injuries to the people.
- **Collision** covers damage to your own vehicle.
- **"Other than Collision" or "Comprehensive" coverage** pays to repair damage to your car caused by fire, theft, vandalism, natural disaster or similar events.
- **Medical payments**, termed "good faith" coverage, guarantees immediate medical payments for you, your passengers and other parties involved in the accident, regardless of who is at fault. The point is to help someone who is injured get the necessary medical attention and deal with the issue of fault and insurance later.
- **"Uninsured and underinsured motorists coverages** protect you if you are injured in an accident with others who themselves do not carry enough insurance or have no liability insurance.

That's It?

No. There are additional coverages such as towing and temporary replacement vehicles available for your auto insurance policy. In fact, just about any contingency can be covered by adding clauses and conditions known as endorsements or riders to a standard policy.

After An Accident

For several reasons, the first conversation you have should be with your independent insurance agent. Chances are your policy includes a stipulation that the insurance

company be notified promptly. Conversations with others about the situation can inadvertently waive some of your rights in the case.

When The Time Comes

If you do suffer property damage or injury or incur liability, it is time to file a claim. You will be asked to fill out a claim form--the formal document on which you request benefits to be paid according to the terms of the policy. Be complete and supply as much detail as you can and, of course, be truthful. All this will help your adjuster do his or her job and therefore speed the process.

To support your claim, it may be necessary to supply the insurance company with some documentation such as a "proof of loss" form, auto repair and medical bills, and a copy of the police report.

Be sure to keep a copy of your claim and any associated paperwork for your records. You may need to refer to it in the future.

What Is A Deductible?

When you file a claim for property or loss, the payment made by the insurance company is subject to a deductible. Basically, when you purchase your insurance policy, you agree to pay the first specified amount of any damage as your share of the cost of repair or replacement. The insurance company adjusts its rates accordingly, charging less for those who agree to pay a larger first share--or deductible. For example, if your car should sustain damages costing \$2,000 to repair and you have a deductible of \$250, you would pay \$250 and the insurance company would pay \$1,750.

What Is A Claims Adjuster?

Once you have reported your claim to your agent, he or she will contact your insurer's claims adjuster--usually within the hour. The adjuster will begin the settlement process, the length of which will depend on the cooperation of the other party, if any. While some claims are relatively easy and straightforward, others are more complicated.

Your adjuster is charged with investigating the claim and then making a recommendation to the insurance company. The recommendation can be to accept the claim and pay the full amount requested, accept part of the claim and make a partial payment, or refuse the claim and make no payment. The insurance company will then make a decision regarding your claim and notify you of its final decision.

A Final Note

The amount of compensation offered can vary according to the adjuster's analysis of your claim. Keep in mind, if you feel it is too low, you do not have to accept the first amount

offered. While you may have to do some research to prove a higher payment is valid, it may be worth it.