

Get the Most from Your Insurance Dollars! -- Learn How the Claims Process Works, Says the I.I.I.

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NEW YORK, May 9, 2003 - When it comes to filing an insurance claim, "knowledge is power," says the Insurance Information Institute (I.I.I.). Knowing how the claims process works, as well as what to do if you are not satisfied with how your claim is being settled, will help you get the most from your insurance dollars.

Following are tips to have your claim paid quickly and smoothly after the recent tornadoes.

- Report the incident as soon as possible. If you have been in an auto accident, or have suffered a loss at your home or place of business, call your insurance agent or company representative immediately.
- Document your Loss. Good record keeping is crucial. Take pictures of the loss and write up a summary of exactly what happened. Keep lists of any damage and write down the names and telephone numbers of anyone else involved in the claim.
- File the Claim. Once your insurance company has been notified, it will furnish you with the necessary claim forms. Fill them out, with as much information as possible, and return them

promptly to your insurer. The insurance company will make arrangements for an inspection of the damage to your car, home or business.

- **Settle the Claim.** After you file your claim and the adjuster has made an inspection of the damage, the insurance company should respond in writing. Find out how much time this should take. If you don't hear from your insurer, find out the reason for the delay. Consider asking your company to put this information in writing, so that you are both clear on this issue.
- **Remember, you have rights!** Every state has a Department of Insurance that regulates the claims process. There are specific laws and guidelines that insurance companies must follow when settling your claim. Ask your insurance professional to explain the process or call your state Department of Insurance with specific questions.

What to do if you have a difficult time getting your claim settled

Most consumers find that their claim is paid quickly and fairly. However, if you are not satisfied with how your claim is being settled, you may consider the following steps:

- **Talk to your agent or company representative.** Tell them about your problem and ask them to intercede on your behalf.
- **Go straight to the top.** If you still are unhappy, write to the head of the claims department or the president of the company. Send a letter explaining the situation with copies of supporting documents
- **Contact Your State Department of Insurance.** Explain the reasons for the disagreement to the consumer representative at your DOI. He or she will investigate your claim and will help to resolve any differences you may have with your insurer.
- **Call the National Insurance Consumer Helpline.** If you still feel your claim has not been handled properly, call 1-800-942-4242. The Helpline is a toll-free telephone information service sponsored by insurance industry trade association. Trained counselors and licensed insurance agents are available to assist you.
- **Hire an independent appraiser.** This process is explained in your policy. You hire an independent appraiser and your insurance company also hires one. Together the appraiser chooses an "umpire." The decision of any two of these people is binding. You and your insurer each pay for your own appraiser and share the other costs. Some companies may offer you a slightly different way of settling a dispute. This is sometimes called arbitration. When settlement differences are arbitrated, a neutral "arbiter" hears the arguments of both sides and then makes a final decision.
- **Consult an Attorney.** The American Bar Association notes that many legal matters can be handled by consumers on their own, without a lawyer. If you decide to talk to an attorney,

make sure you find someone who has experience in insurance. Ask your friends and relatives about attorneys they have used. Your state and county bar associations can also provide the names of lawyers who handle cases like yours.

If you meet with an attorney, take along your insurance policy and all other relevant documents. You may have to pay the attorney a consultation fee for your initial visit. If your insurance company has made a settlement offer, tell the attorney about it and ask if he or she believes a lawsuit will help you get a larger offer.

Before hiring anyone to represent you, get your attorney's fee structure in writing. If you win the case, the settlement check will be sent directly to your attorney who will deduct his or her fee and expenses before sending you the rest.

If you lose the case, you are still responsible, in most situations, for expenses your attorney has incurred on your behalf, such as the testimony of experts, copies of medical reports and various filing fees.

For a list of brochures on how to file an insurance claim, consumers can access the I.I.I.'s website at <http://www.iii.org> or they can call the National Insurance Consumer Helpline at 1-800-942-4242.

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