

OII TIP GUIDE TO: Settling An Auto Insurance Claim

You've just been involved in a crash with your vehicle. Do you know what to do? Who should you notify? Should you file a claim with your insurance company and if so, what are your expectations?

These are just a few of the questions motorists face once they've been involved in a crash. The following information should assist and prepare you for certain expectations should you be faced with filing an auto insurance claim.

NOTE: These are general guidelines. Check with your insurer for specifics or view company claims information online.

BEFORE THE CRASH

Take time to review your auto insurance policy and coverages. It is important that you understand what is and, more importantly, what isn't covered by insurance. All auto insurance policies have exclusions, and it's best to know what they are prior to a loss. Many times you can obtain coverage for an exclusion by purchasing an endorsement, which adds the specific coverage to your policy.

Tip #1: Ask about a loan/lease GAP endorsement for your vehicle—especially if you've opted for a long-term loan/lease (48+ months). Some lending institutions may require it as part of a full coverage package. In the event of a total loss, this coverage provides protection when the vehicle's loan or lease payment exceeds the vehicle's worth or Actual Cash Value (ACV).

For example, say you owe \$17,000 on your car loan. A crash totals the car and your insurer covers the vehicle's ACV, which is \$15,500. A GAP endorsement pays the difference between the car's value and what you owe (in this case, \$1,500). Without this coverage, you would be responsible for this payment.

Tip #2: Many auto insurance companies offer apps to help document accident details. Download it before you need it. Another option is the National Association of Insurance Commissioners' free [WreckCheck](#) app that records the time of the accident, lets you create written and audio details, and emails the info to you or your insurer.

AT THE CRASH SCENE

- **Check for injuries.**
- **Move damaged vehicles to side of the road when possible.** Most major

highway systems have signs posted reminding drivers to move damaged vehicles off the road, providing there are no injuries and the vehicles are moveable. This helps alleviate congestion.

- **Maintain safe distance from the roadway** to avoid being hit by a passerby.
- **Call law enforcement.** Be sure to follow their instructions and don't leave until you have spoken to an officer.
- **Document the crash.** While waiting for law enforcement to arrive, begin documenting the crash, including information from the other drivers. See OII's [Auto Accident Checklist](#) that will guide you through the process. Download and keep a copy in the glove box of your vehicle.
- **If your vehicle isn't drivable, don't abandon it.** Make arrangements to have it towed to your home or repair facility of your choice.

AFTER THE CRASH

To file or not to file a claim...

It is your responsibility to contact your insurance agent or company representative as soon as possible after the crash. Discuss the chain of events with your insurer before deciding if a claim should be filed.

If the damage is close to your auto policy's deductible or if you've filed multiple claims in recent years, you may want to consider covering the loss out of pocket. Your insurer can provide guidance based on your circumstances.

If filing a claim, provide your insurer with the documentation gathered at the crash scene. Get a copy of the police report for your records. In turn, the company should inform you of their claims handling process. See your insurer's claims filing information.

Keep your insurer apprised of developments associated with the claim. For instance, if you receive legal documents from other parties involved in the crash, provide them to your insurer. Keep in mind that your auto policy provides coverage for the insurance company to defend you if sued as a result of a covered loss.

If you suspect the other driver(s) to be uninsured, consider filing a [Motor Vehicle Crash Report](#) with the Ohio Bureau of Motor Vehicles (BMV). Report forms (Form 3303) are available from law enforcement, BMV, your insurer and [online](#).

WHAT TO EXPECT WHEN SETTLING A CLAIM

Your company may ask you to complete forms or provide details about the crash. This is why it's wise to gather as much information as possible at the crash scene.

Your insurer will arrange for a claims adjuster who will contact you for additional information and assess the damaged vehicle.

CLAIMS-SETTLING TIPS

- **Track expenses associated with the crash.** Some may be reimbursable under your auto insurance policy. Examples include mileage for a visit to a doctor's office as a result of the crash, the cost of a police report, or meal expenses if called into court for the crash.
- **Don't start the repair process until your claims adjuster evaluates the damage.** If in your possession, protect the vehicle from further damage (i.e., cover cracked windshield with plastic, which may be reimbursable under your policy).
- **Keep copies of your paperwork.**
- **You have the right to choose the repair facility.** Your insurance company may request that you obtain written estimates for repairs. Some may request that you bring the damaged vehicle to their claims facility for a repair estimate. Also, some insurers provide a list of recommended shops or offer direct repair or concierge services, saving time and hassle. Choose the repair option that's best for you.
- **You have the right to negotiate the settlement.** If you cannot resolve an initial insurance settlement offer, contact the company directly and ask to speak with consumer services or the claims division manager. If you still find the settlement unacceptable, refer to the arbitration or appraisal procedures outlined in your auto insurance policy. Most arbitration and appraisal procedures require that you hire an independent arbitrator or appraiser, at your expense. Once the arbitrator or appraiser reaches a settlement, the claim is paid in that amount.
- **If you feel that you've exhausted all efforts with your insurer, you can contact the Ohio Department of Insurance (ODI) [Complaint Center](#).** The ODI will provide information and advice on how to proceed.
- **If you still can't reach an agreement, you have the option of seeking legal advice.** When you obtain legal counsel, you sacrifice your ability to be represented by your insurer and are responsible for the legal fees. This means all future correspondence regarding the claim will be handled through your hired attorney.

TOTAL LOSS

Consumers and insurers are faced with difficult decisions when a vehicle sustains extensive damage. When the cost to repair a vehicle exceeds its ACV, the vehicle will likely be considered a total loss. For information on total loss vehicles, see OII's post: [What to Expect When Your Car Is Totally Wrecked](#).

ADDITIONAL RESOURCES

- Insurance Information Institute: [Auto Insurance – Filing a Claim](#)
- ODI: [Shopper's Guide to Auto Insurance](#)

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