



Claims Management

When Disaster Strikes, Do You Know How to File a Claim the Right Way?



When filing a claim on an auto or home insurance policy, knowing the right processes, like when to report an underlying claim incident and what documents to produce, can make a significant difference.

Being prepared prior to filing a claim can reduce errors and stress, and prevent processing delays due to incomplete or inaccurate information. It's important to recognize that all claims are not created equally and each must be handled according to its unique circumstances.

Preemptive Claims Management Strategies

Last year was one of the most destructive years for natural disasters in the United States, with hurricanes Harvey and Irma causing over \$200 billion in damages. Overall, 2017 saw 17 named storms, ten of which developed into hurricanes. And, for the first time on record, three-Category 4 storms hit US shores in the same season. These events, coupled with a construction boom along the US shoreline, created conditions conducive to large scale personal property damage, particularly homes and automobiles.

For individual property owners, the biggest lesson from last year is that having the right action plan can help prevent certain disasters and reduce their financial impact. Knowing the right preemptive actions to reduce damage to home and other personal property is critical. For example, it is important for drivers and homeowners to frequently check policies

to determine what's covered and the deductible level; stay informed about approaching storms; and develop a disaster preparedness plan with the help of an experienced personal risk advisor.

USI personal risk advisors recommend these general preemptive measures:

- Prepare an "Action Plan" in case of an evacuation
- Protect personal belongings and important documents
- Prepare an emergency supply kit
- Address landscaping concerns in advance of storm season
- Clear loose objects
- Reinforce garage door, windows, and doors
- Test and refuel your backup generator

What to Do When a Claim Situation Occurs

It is important to stay informed during a disaster and follow the instructions of authorities.

For instance, following an automobile accident, contact the insurance company to officially document the incident but also be sure to make a record with your own notes and photos.

Obtaining the names of all individuals involved in the accident as well as witnesses is always recommended. Additional information that should be collected on the scene include the other vehicle's license plate information (if the incident involves another vehicle), driver's name and address. Collecting vehicle registration information, and the driver's insurance carrier and policy number are also of critical importance.

Recently, a USI personal risk client involved in an auto accident saved more than \$100,000 just by following these same critical steps. The client was driving a 2017 Mercedes AMG S65 series when another driver in front stopped suddenly, causing a rear-end collision. The client collected all the information and called the police to the scene at which time all passengers and drivers claimed no injuries.

A few weeks into the claim process, the other party and their passengers claimed to have suffered injuries. The claims were

found to be fraudulent due in part to the client's diligence at the scene, including the call to police to verify/document damages and injuries.

In the case of home or property disaster, such as a flood, fire, hurricane or burglary, meticulous documentation is essential. As always, in the aftermath of a disaster, make sure family members are safe and evacuate immediately if requested by authorities. Similar to an automobile accident, documenting the damage with pictures and notes is critical. Take steps to prevent further damage, like covering a hole in the roof or boarding up a broken window. Secure important documents in the home such as insurance policies, receipts and passports.

Be sure to contact emergency services immediately if the incident involves criminal behavior or injuries.

USI recommends these general tips for home-related claims situations:

- Stay informed and evacuate if requested by authorities
- Identify a "shelter" room in your home and secure household appliances

- Move furniture and household fixtures if in danger of damage
- Turn off utilities if instructed to do so by authorities
- Have a predetermined communication plan for all family members in the event of a disaster

Filing a Claim the Right Way to Avoid Uninsured Losses

Filing a claim promptly with an insurer is one of the most important steps an insured can take following any accident. Whether you are involved in a car accident or homeowner's property damage, it is crucial to report the loss to an insurance agent as soon as practical.

In certain states, failure to provide timely notice of loss may provide the insurer a legal basis to deny the claim. In Florida, where many homeowners are dealing with claims related to last year's Hurricane Irma, the first major hurricane to make landfall in more than a decade, courts have ruled that failure to give timely notice creates a rebuttable presumption of prejudice to the insurer. USI personal risk advisors suggest reporting a claim

within 24 hours of the incident. Do not sign over insurance benefits to home improvement contractors or any other vendors, especially after a major storm, to avoid being a victim of inflated bills submitted to insurance companies.

When reporting a claim, USI personal risk advisors recommend having the following information readily available:

- The name of insurance carrier
- Policy number
- Dates and times of incident
- Location of incident
- Description of incident
- Witnesses contact information
- Description of what occurred
- Photographs (if any)

Read the insurance policy and consult with an experienced broker to ensure a good understanding of what exactly is covered under the policy. Remember, no two insurance policies are exactly alike.

For additional information and best practices on managing a claim, contact your local USI personal risk consultant.

Claims Checklist

In the event of an auto accident, property loss or liability incident, USI recommends the following basic steps:

Automobile Accident

- If there are any injuries, call 911 and provide name of injured party and brief description of injury
- Obtain the make, model, VIN, license plate number of all vehicles
- Document with notes the damage to all vehicles. Photograph the accident scene if possible before moving the vehicle to safety.
- Collect names, drivers' license numbers and DOB for all parties involved
- Do not discuss fault or insurance limits
- Call your insurance agent and provide report number (if police are involved).

Property Loss

- Call the police or fire department to report the incident
- Work with an adjuster to estimate the probable amount of loss
- Provide the adjuster/insurer with mortgagee information
- Document property damage with notes. Safely photograph the scene if possible
- Document information regarding emergency service
- Prepare a home inventory list
- Develop a family emergency/contact plan.

Liability Incident

- Do not deny or accept responsibility
- Document the damages or injury claimed. Take photographic evidence if possible
- Collect contact information for claimant
- Identify witnesses, if any
- Promptly report to insurance company
- Forward copies of all legal documents (e.g. summons) to insurance company.

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