Insurance Adjusters, Total Losses and Diminished Value

Most people deal with an insurance adjuster long before a lawsuit is even a question. The adjuster's job is to evaluate the claim for the insurance company, and some common practices can lower what a claim is worth if they go unnoticed. Knowing these practices is one reason people speak with an auto accident lawyer before signing anything.

What the adjuster may ask for

The other driver's insurer may call within days and ask for a recorded statement. There is usually no obligation to give one to the other side's insurer, although a person's own policy may require cooperation with their own insurer. Statements made while in pain or on medication can be used later to dispute the claim. Adjusters sometimes send broad medical authorizations that open records unrelated to the crash. A car https://caraccidentlawyers.wiki/reference/claim-and-settlement/ accident attorney usually limits what is shared to records related to the crash.

Quick offers and low-impact arguments

An offer may arrive before the full extent of an injury is known. Accepting usually means signing a release that ends the injury claim. Some insurers argue that minor vehicle damage means no one could have been hurt, or they may point to preexisting conditions and gaps in treatment. They may also argue comparative negligence, assigning part of the fault to the injured driver.

When the car is repaired or totaled

A property damage claim usually moves faster than an injury claim. If the car can be repaired, the insurer writes an estimate, and the shop may find more damage once the car is taken apart. Rules on aftermarket parts depend on the policy and state law. If repairs would cost more than a threshold set by state law or the insurer, the car is declared a total loss. The insurer then pays the actual cash value, the market value right before the crash. Listings for comparable vehicles can support a higher valuation, and gap insurance, if purchased, may cover what is still owed on a loan.

Rental cars and loss of use

The at-fault driver's insurer may owe the reasonable cost of a rental car, or payment for loss of use, while repairs are underway. How long that period should last is a common dispute, particularly when parts are delayed or the insurer is slow to inspect. A person's own rental reimbursement coverage typically has a daily limit and a maximum number of days. Receipts and a log of calls with the adjuster help support the claim.

Diminished value

Even after a good repair, a car with a crash history often sells for less. That difference is called diminished value. Whether it can be recovered depends on the state and the type of claim. Third-party claims against the at-fault driver's insurer are more often allowed than claims under a person's own policy, which may exclude diminished value. An independent appraisal and the vehicle history report help document the loss. A motor vehicle accident attorney will know the rule in the state where the crash happened.

When a claim stalls

Each state has an insurance department that takes consumer complaints, and some states also have bad faith laws for unreasonable claim handling. This article is general information, not legal advice, and no article can promise a particular result.