

MAKING DOLLARS & SENSE OUT OF INSURANCE CLAIMS:

If you've been involved in an automobile accident, there are several types of insurance claims which must be analyzed to determine the appropriate course of action for you. Some of these claims exist whether or not you are at fault for the accident. Let's briefly look at several of these claims:

Med-Pay claim – Previously all Connecticut motor vehicle policies contained at least a \$5,000 no-fault provision covering medical bills and lost wages. Today, Connecticut policies are no longer required to contain this coverage. However, many policies contain medical coverage for an occupant of an insured vehicle for the treatment of injuries arising out of an automobile accident involving the insured vehicle. If you are injured in an auto accident, you need to review the automobile policy to determine if medical benefits are available. Many times your own health insurance will not pay the medical bills until a letter denying medical coverage or stating that the medical coverage is exhausted is provided from your automobile insurance carrier.

Collision claim – Collision benefits are paid regardless of who is at fault for the accident. The insurance carrier will pay the auto repair bills or the book value of the automobile, whichever is lower. A deductible usually exists. If the policy holder is not at fault for the accident, the insurance company can bring a subrogation claim against the insurance company of the offending vehicle which means that the policy holder would not be penalized for having brought the claim for collision benefits. Of course, if the policy holder prefers, a claim for the property damage can be brought directly against the insurer of the offending vehicle. This claim may take longer and can sometimes involve more "red tape" which is why many people prefer to make the claim against their own company first.

Claim for Rental Benefits – If your policy contains rental coverage, you can make a claim against either your own automobile policy or the offending vehicle policy for reimbursement of the rental charges. Obviously your insurance company would prefer that you make the claim directly against the offending vehicle policy; however, this may be difficult if liability is in issue, or if the offending vehicle's company cannot be tracked down quickly. There are a couple of things to keep in mind when making your claim for rental benefits. First, make sure you know the daily rental reimbursement rate and rent a vehicle which is within that reimbursement allowance. In other words, you are not entitled to rent a Jaguar while your Hyundai is being repaired. Furthermore, the rental benefits will only be allowed up to the time that the vehicle is either repaired or declared a total loss. Once the vehicle is declared a loss, you must immediately sign the title and forward it to the appropriate insurance company so that your check for "book value" can be issued to you. If you do not act expeditiously, your rental benefits will be terminated and you will also be responsible for the vehicular storage charges.

Property Damage Claim – As previously noted, if you have collision, you can go directly against your own company which will then bring a subrogation claim against the other insurance company. If you do not have collision, or if you prefer to go directly against the offending vehicle's policy, you make a property damage claim for the vehicular damage and any other property that may have been damaged. You are entitled to either book value or the value of the repairs, whichever is lower. The company can either pay the mechanic directly, or can pay you the value of the estimate and you can have the car fixed yourself. If the car is declared a total loss, you are only entitled to book value, even

if you owe more than that amount on an auto loan. The difference would be considered an element of your damages in a personal injury claim.

Personal Injury Claim – A claim for personal injuries is made when there are damages beyond the basic property damage claim described above. The personal injury claim seeks compensation for medical bills, pain and suffering, interference with life's daily activities, lost wages, interference with the ability to carry on employment opportunities, loss of future earning capacity, future medical bills, permanent partial disabilities, and loss of future enjoyment.