Diminished Value and Other Car Accident Insurance Issues

After a car crash, most people deal with an insurance adjuster long before they think about a lawsuit. The adjuster's job is to evaluate the claim for the insurance company, and some common practices can reduce the value of a claim if they go unnoticed. Knowing these practices is one reason people speak with an auto accident lawyer before signing anything.

Early calls from the adjuster

An adjuster for the other driver may call within days to request 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. Comments made while hurting or medicated can later be used to dispute the claim. Adjusters sometimes send broad medical authorizations that open records unrelated to the crash. An auto accident attorney will often limit what is shared to records connected to the crash.

Common settlement practices

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 point to gaps in *Car Accident Lawyers Wiki* treatment and preexisting conditions. Many also raise comparative negligence, assigning a share 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. When a car is repairable, the insurer prepares an estimate, and the repair shop may find hidden damage once work begins. 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 owes the actual cash value, meaning the market value just before the crash. Listings for comparable cars can support a higher number, and gap insurance, if purchased, may cover a remaining loan balance.

Getting around during repairs

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. The length of that period is often disputed, particularly when parts are delayed or the insurer is slow to inspect. Rental coverage under a person's own policy usually has a daily cap and a limit on the number of days. Receipts and a log of calls with the adjuster help support the claim.

What diminished value means

A repaired car with a crash history often sells for less than one without. That difference is called diminished value. Whether it can be recovered depends on the state and the type of claim. Claims against the at-fault driver's insurer are more commonly allowed than claims under a person's own policy, which may exclude it. An independent appraisal and the vehicle history report help document the loss. A motor vehicle accident attorney can explain whether the state where the crash happened allows the claim.

Complaints and general information

Each state has an insurance department that takes consumer complaints, and some states have bad faith laws for unreasonable claim handling. This is general information rather than legal advice, and no article can promise a particular result.