Insurance Adjusters, Total Losses and Diminished Value

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 they sign 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. Statements made while in pain or on medication can be used later to dispute the claim. Adjusters may also send broad medical authorizations that reach records unrelated to the crash. A car accident attorney usually limits what is shared to records related to the crash.

Quick offers and low-impact arguments

An offer https://caraccidentlawyers.wiki/reference/claim-and-settlement/ 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 treatment and preexisting conditions. 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. Whether aftermarket parts may be used depends 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.

Rental cars and loss of use

While the car is being repaired, the at-fault driver's insurer may owe the reasonable cost of a rental or payment for loss of use. 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 first-party claims under one's own policy, which may exclude diminished value. A written appraisal and the vehicle history report can document the loss. An automobile accident lawyer can explain whether the state where the crash happened allows the claim.

When a claim stalls

Every state has an insurance regulator that accepts consumer complaints, and some states have bad faith laws for unreasonable claim handling. This article is general information, not legal advice, and no article can promise any result.