



Automobile – Making the Claims Process Easier



Filing a claim can sometimes be confusing under the best of circumstances. In this brochure we explain what you can expect when you need to file an auto insurance claim. Understanding the claims process will help ensure that your claim can be handled in a timely fashion and that you will receive all the compensation due to you under the policy.

The Maine Bureau of Insurance offers these recommendations to help make the process as smooth as possible:

Understand your policy. Read your policy before a loss occurs. Know what kind of losses it covers and how much it will pay. It's important to know your policy deductibles—those are the part of a claim for which you are responsible. If you have questions regarding your policy, talk to your insurer or insurance agent.

What to do after an accident. At the scene, stay calm, report the accident to the police, and exchange your insurance information with the other driver.

Report the accident to your insurer or agent. Also, notify the other driver's insurer if the accident seems to be the other party's fault. Insurers usually have claim hot lines that you can use. You should do this as soon as you are able after a loss has occurred. Generally, the policy requires you to give prompt notice of a loss.

Provide complete, correct information. Giving incorrect or incomplete information will delay the processing of your claim. Be sure to give the insurer all information relevant to the loss.

Document your claim contacts. Keep records of all your communications with any insurer, adjuster or other person involved with the claim. This includes e-mail and letters. Keep a list of your telephone calls and conversations, including the date and time they took place, the name and title of the other person, and also a summary of your discussion. Also keep a record of any time you lost from work and other expenses resulting from the accident.

Take steps to protect the vehicle. Protect your vehicle from further damage and limit your loss. You must also make the vehicle available for the insurer to inspect before you have it repaired. If you do not, the insurer might not cover some of the damage or it might deny the entire claim. If possible, take photos or videos of the damage before making any repairs.

Vehicle Repairs. You have the right to have your vehicle repaired anywhere you would like. Maine law prohibits a repair practice called "steering." Insurers and their agents may not require you to have glass or collision damage appraisals or repairs made by a specific business. If an insurer recommends that you use a particular repair service, the insurer must also tell you that you do not have to do so.

Obtaining a rental. If your policy includes rental coverage, your insurer will directly pay a specified daily amount for the rental, based on the amount of your coverage. If the other driver's insurer accepts liability for the damage, that insurer must reimburse you for reasonable rental expenses. While some insurers may pay directly, the law does not require it.

Storage fees. If your vehicle cannot be driven because of an accident, and was towed to a garage or storage facility, a daily storage fee might be charged. Generally, the insurer will pay reasonable storage fees or offer to move the vehicle to its own facility. You should pay attention to these fees because they can rise quickly, especially if there's a lengthy dispute over liability or the cost of the repairs. In that case, the insurer might notify you that it will no longer pay for storage. You must either start paying the fees yourself or move the vehicle to a location where you will not incur fees. If there is a dispute over liability or the cost of repairs, you may be responsible for the storage fees that accumulate while you work out the issue.

Evaluating a total loss. The Maine Insurance Code does not require any particular method to calculate the value of a vehicle or to determine when it is considered a total loss. You are entitled to the vehicle's actual cash value (ACV), which is not the same as the amount needed to replace it. Several factors affect the ACV, including mileage, the condition of the vehicle, and any prior damage. Several resources are available to assist claimants and insurers in establishing a vehicle's value. One is the National Automobile Dealers Association (NADA) Guide. Market value companies, such as CCC Information Services, provide sales comparisons of similar vehicles in your area for a fee. It's also possible to survey local auto dealers.

Salvage of total loss. Maine law requires an insurer to obtain a salvage title when it declares a vehicle a total loss. If an insurer will let you keep the vehicle, it will turn the salvage title over to you. In exchange, it will deduct the salvage value from the amount of the settlement. The vehicle may not be operated on the road until it has been repaired, inspected and rebranded by the Maine Bureau of Motor Vehicles with another title indicating "rebuilt salvage," "rebuilt," or "repaired."

Appraisal. Most automobile insurance policies have an appraisal clause, which provides a mediation process for disputes between the policyholder and insurer over the amount of loss to a vehicle. You and your insurer each choose an appraiser at your own expense. Each appraiser states the vehicle's ACV and/or the cost of the necessary repairs. If they cannot agree on the amount of the loss, the parties then choose an umpire to make a final decision. The parties share the umpire's fee. Appraisal is only available if your dispute is with your own insurer. If it is with another driver's insurer, it may be necessary to resolve the dispute in court.

Payment of medical claims and lost wages. If you need ongoing medical care because of an accident and the other driver's insurer has accepted liability, you should be aware that the insurer generally will not pay these expenses until a settlement agreement is reached. This also applies to lost wages.

Contact the Bureau of Insurance. If you have a dispute about the terms of the claim settlement or there is a claim denial, the Bureau of Insurance may be able to assist you.

Although the Bureau can provide general insurance information, and help when violations of insurance laws have occurred, the Bureau cannot:

- Force an insurer to satisfy you if no insurance laws have been violated.
- Act as your lawyer or give legal advice.
- Resolve a dispute when the only evidence is your word against the word of the company.
- Make medical judgments.
- Determine who is responsible for the damage to your vehicle.
- Resolve a dispute involving interpretation of coverage.



The Maine Bureau of Insurance regulates the insurance industry to protect and to serve the public.

Visit the Bureau's Website at:
www.maine.gov/pfr/insurance

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