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 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.

Recorded statements and medical authorizations

An adjuster for the other driver may call within days to request a recorded statement. Usually there is no duty to give one to the other driver'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 crash lawyer usually limits what is shared to records related to the crash.

Common settlement practices

An early settlement offer can arrive before the full extent of an injury is known. Accepting it 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, car accident lawyer assigning part of the fault to the injured driver.

Property damage claims

The property damage part of a claim usually resolves sooner than the injury part. 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 caraccidentlawyers.wiki value just before the crash. Listings for comparable vehicles can support a higher valuation, 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, especially when parts are back-ordered or the inspection is delayed. 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 loss is known as 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. An automobile accident lawyer will know the rule in the state where the crash happened.

Complaints and general information

Every state has an insurance regulator that accepts 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 any result.