

Tips for speaking with your insurance company

Q: My insurance company is telling me that I must have my car inspected at a location of their choice and a time scheduled by them. Is this true?

A: This is not true. As per New York Regulation 64 (sect 216.7) you can have your vehicle inspected at a location of your choice and convenient to you as to time and place. **This includes at any of C.S.N.'s five-star collision repair locations.**

Q: My insurance company warned me that there may be a delay inspecting my vehicle if I did not choose one of their locations or collision centers. Is this true?

A: This is not true. This is a common tactic that insurance companies use to get you to go where they want. As per NYS Reg. 64 the insurance company must perform an inspection of your covered vehicle within 6 business days; excluding weekends and holidays. If the company fails to comply with this time line, then they have waived their right to a physical inspection of your vehicle damages. The body shop may proceed with repairs. If the insurance company still wishes to inspect your vehicle beyond the 6 business days, then negotiations will be confined to parts and labor only.

Q: My insurance company wants to explain their repair service program and drive-in options. Is this legal?

A: Yes. To meet customer service goals and facilitate the claims process many insurance companies have developed and promoted these programs. The insurance company enters into a contract with a body shop to perform repairs to their customers damaged vehicles consistent with certain defined expectations as agreed to by the body shop and the insurance company in the terms of the agreement. The shop agrees to the insurance company's "repair criteria". This sometimes leads to a conflict of interest between the body shop and their customer. Who exactly is the body shop working for and whose interest do they represent if an issue develops? While the concept of these programs maybe well intentioned they sometimes result in unintentional consequences which often exceed industry averages in key business parameters such as: quality of repairs, customer loyalty, customer complaints, and customer satisfaction. Nearly all insurance company repair service contracts have conditions and terms which incentivize the body shop to be "creative" and "industrious" when identifying opportunities to cut costs and reduce repair times. They exacerbate unforeseen circumstances and often fall short of customer expectations. While these programs are legal, the contracts that define the conditions and terms between both parties can be very different because they follow the auto policy & business philosophy of the specific insurance company administering the program.

There may be some upside; for instance, if you are involved in an auto accident in an unfamiliar state then these programs may offer some value. To be certain these programs were developed by the insurance industry for the benefit of the insurance industry and to a much lesser extent the body shop industry. There is tremendous business value and financial benefit for the insurance industry and little of either for the insurance consumer.

Q: My insurance company stated their shops have agreed to their repair criteria and that benefits me. Is this true?

A: This statement will most often be made by the insurance representative after you have raised an objection to utilizing one of their body shops and offered an alternative shop not on their list. This is a rather nebulous statement as it implies the “repair criteria” has some value-added benefit to you the policy holder if you utilize one of their contract shops. More significantly your shop may not agree to this “criteria” and there is going to be a problem. Once again, we look to NYS Reg 64 for guidance. The fact is that both the shop and insurance adjuster must engage in productive, qualitative negotiations with the goal that both parties arrive at an agreed price. Negotiations should be both quantitative and qualitative and guided by the principal of fair and reasonable. The insurance company is further constrained by the Unfair Claims Practices act which defines what constitutes fair and reasonable and sets expectations for the insurance company when settling a claim for your covered vehicle. While it is not a regulatory requirement that both parties reach an agreed price, both parties are expected to work constructively toward that goal.

Q: My insurance company wants me to take photos of my damaged vehicle and submit them to obtain an estimate and payment. Do I have to do this?

A: No. NYS Reg 64 states the insurance company must inspect an insured’s vehicle at a location reasonably convenient to the insured as to time and place. You are required to make your vehicle available for inspection to the insurance company during normal business hours. Insurance companies are continually looking for ways to mitigate operating expenses and lower labor costs while still meeting State and Policy requirements. By leveraging technology many insurance companies have been able to perform the same estimating processes without the over-head costs associated with that. This has been good for the insurance industry and bad for the consumer. **CSN strongly advises our customers to not agree to any photo app inspections or remote estimating process.** It is our opinion that these estimates are consistently grossly underwritten, exclude necessary operations and materials and inaccurate as to extent and degree of damages. The result is you are not fully indemnified, that is you have not received the true dollar value of your claim. This results in supplemental physical inspections at one of CSN’s collision facilities leading to increased down time, delay in repairs and increased rental costs to you. **Remember the insurance company promised to provide this service and have a professional licensed appraiser inspect your vehicle in the event you suffered a loss.**

Q: My insurance company is telling me I must give a recorded statement and return a written accident report and file an MV 104 with NY State. Is this true?

A : Yes. You must cooperate and assist the insurance company with their investigation and all information necessary to process your claim. The insurance industry is one of the most regulated industries, thus each company develops business processes that will ensure they comply as it relates to the claims process. The MV 104 is a requirement for all New York state residents and originates from department of motor vehicles. For most of us filing an insurance claim is the only contact we ever have with our insurance company and if it’s the first time it may seem perplexing and complicated, resulting in confusion and uncertainty. How you report your claim, where your vehicle is inspected and who you choose to repair your vehicle will most times determine your claims experience. **Therefore, before you speak to them you should be contacting C.S.N. Online, text or phone. Only C.S.N. has the experience, knowledge and resources to ensure your experience will be a positive one.**

Q: My insurance company is telling me my car is a total loss. What does this mean?

A: This means your car is not repairable. This can happen either because the damages are too severe and the vehicle cannot be safely restored to a pre-loss condition, the damages are extensive and there may be hidden damages that would prevent completely and safely repairing the vehicle after repairs have begun, or the repair estimate has exceeded the vehicle's retail market value. Here in NYS Reg 64 is the guiding authority which states that once repair costs reach or exceed 75% of a vehicle's retail market value the vehicle is declared a total loss. In all cases it is at the insurance company's discretion. The insurance company determines the reparability of the vehicle not the body shop. The insurance company may declare any vehicle a total loss for any degree or extent of damages so long as you the insured are not left in a worse financial position than prior to the accident. The insurance company can constructively consider any physically damaged vehicle to be a total loss so long as you are made whole; fully indemnified (paid) without any undue financial harm. That is if the vehicle is repairable without the likelihood of any hidden damages or unforeseen circumstances that may render the vehicle unrepairable once repairs are begun then the insurance company should negotiate toward the goal of reaching an agreed price to repair the vehicle.

Q: My insurance company is telling me that I am not at fault and should file a claim with the person who hit me. I want to use my insurance; can they do this?

A: No. You may file a claim for physical damages to your covered vehicle with your insurance company regardless of who is at fault and your company cannot persuade, delay or prevent you from doing so. This is a clear violation of NYS insurance law and Reg 64.

Q: How do I file an insurance claim for damages to my vehicle?

A: Contacting the insurance company is the first step. Thanks to technology most major insurance companies offer many options to initiate a claim for damages to your vehicle. Notification to your broker or agent, a mobile device thru a company portal (app), company web-page, calling the insurance company directly. All these options have their benefits; however, **CSN recommends calling the insurance company directly as best practice when filing a claim whenever possible.** Calling directly allows you to speak with a company employee usually, someone in a first report or new claims unit who will insure your claim is filed, answer most of your questions & concerns, confirm basic coverages, deductibles, rental reimbursement, your claim representative, record accident details, points of impact & damages to your vehicle and where your vehicle will be inspected & repaired. **All CSN collision repair facilities have professional staff that can facilitate and assist you in filing your claim and if needed can advocate and speak directly to your insurance company on the spot ensuring a seamless process, reducing or eliminating frustration and confusion.** Filing your claim with the assistance of a CSN collision repair facility professional ensures all your rights, guarantees, coverages and expectations are protected, explained and executed. Most significantly that your freedom of choice is respected and preserved pertaining to where your vehicle is inspected & repaired.

Q : My insurance company called me and stated they have no agreed price with my repair shop and I may have to pay more than my deductible. What is no agreed price (no A/P) & can they do this?

A: NYS Reg 64 states parties shall enter negotiations with the goal of reaching an agreed price for the cost of repairs to restore a vehicle to a pre-loss condition. It is not required of either the body shop or the insurance company, but both should strive for this outcome. If negotiations do not result in both sides agreeing to the

process and cost, then the insurance company may issue a notice of rights letter and a no A/P letter. The latter notes the rights and expectations for you and the insurance company defined in your auto policy as it relates to a no agreed price situation. Yes, the insurance company is within their legal and contractual right to not agree with the collision shop as it relates to the repairs to your vehicle. They must be able to show they entered negotiations with your representative and negotiated in “good faith” with the goal of reaching an agreed price with out any bias or prejudice. There are legal remedies available which may help overcome the no A/P situation for the insured which are defined in the policy, one being the appraisal clause the other is legal counsel. **CSN collision repair facilities are staffed by professionals who are competent & knowledgeable in insurance law, Reg 64, the personal auto policy and most significantly are experienced and skilled with the negotiation process, virtually eliminating the prospects of a no A/P outcome.** So, when you need to file an insurance claim choose a CSN collision repair facility. As always; “Remember, before you speak with them, you should be calling **US**”!