



Effective Claims Complaints

The following is useful advice from a former insurance industry insider.

Most insurance carriers, believe it or not, do not like complaints. They take the claims person away from the everyday task of working on claims or management tasks.

The following might help with general complaints

The first thing you must understand is the organization itself. Claim departments by in large are structured as follows:

1. Adjuster
2. Supervisor
3. Unit Manager, over several supervisors by line of business
4. Assistant Manager, over Unit Managers, but not in all offices
5. Claims Manager or Claims Vice President, in charge of local office
6. Regional Claims Vice President- In charge of several offices in a region
7. Home Office Claims. At the home office you have several levels:

Field Management - Senior VP in charge of regional managers

Technical Management - Vice Presidents in charge of lines of business, such as auto, general liability, property

Major Claims - Such as asbestos, lead paint, or those claims with long occurrence type exposures. They may also handle large and complex claims. (Large being over \$750,000).

Excess Claims - Some Home Offices do not have an excess unit.

The contact order is upward starting at the adjuster. What moves a carrier to resolution of an issue is a focused complaint that causes people above the adjuster to get upset that they are being

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troubled with such a minor issue. But, keep in mind, that the higher you go the greater your chances of success in resolving your complaints.

One thing you rarely see is an effective, documented complaint

For example, very few people confirm conversations with the adjuster or who they talk to. Also, very few people cc (carbon copy) the next level. When you raise the voice of concern over claims handling, documentation is everything in dealing with an insurer. If you write to an adjuster, cc his or her next in line, and request a written response in a set time frame. Do not make the letters threatening, make them to the point and polite. Be the good guy and put the ball in their court. If you are nasty, your next contact might be from counsel, and thus, no more communication with the insurer.

Always ask them what their policy is on the issue you have raised. Make sure you ask for them to reply in writing and once again set a deadline. Ask them if they need information from you and when they need it.

Be Polite, Be Prompt, Be Persistent

Your complaints should be followed up by a phone call and ask if they received your letter. Do they need anything from you to respond, if so what? Be sure you note your time deadline. Ask them who is handling the problem and who will respond to your request? Continue to be the good guy. Provide an extension if they ask for one and as always, confirm in writing what was agreed to and ask when they will respond.

I can't stress enough how important it is to document all contact with your insurance company. They will try to handle your complaint by phone with no records, but you must make sure that everything gets documented. Keep precise phone records and note everything that was said, when, and by whom.

The above article was written by Mike Cerf and is reprinted with permission from his widow, Judy Cerf. It also appears at www.allstateinsurance.org/default.html For questions or further information regarding Mike's advice, email Judycerf@yahoo.com.

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