

BACH TALK: Whoomp! (there it is)

In a recent blog, a Texas lawyer revealed an industry secret that is common knowledge to policyholder advocates and claimants but rarely publicly revealed or admitted by insurers: By dragging out claims and failing to timely pay benefits owed, insurers can pressure policyholders to accept lower settlement offers and profit by retaining and investing funds that rightfully belong to their customers. While we know these things to be true, seeing an insurer-side attorney blatantly endorse the practice is a stark reminder of how critical it is that we have strong laws on the books to deter and punish unfair delays and how essential it is that regulators, judges, and policyholder attorneys enforce and not undermine those laws.

The Texas lawyer's recent revelation should cause public officials to step up enforcement and increase penalties for unfair claim delays. It should compel regulators and legislators to *reject* insurers' current ["social inflation" PR and lobbying campaign](#) and keep their focus on deterring insurers from intentionally delaying claim payouts. [Our legal system does an excellent job of effectively weeding out frivolous lawsuits.](#) As soon as a journalist caught and shared the blog post, the law firm removed it from their website, but it's captured below for your reading displeasure.

Unfair claim delays are among the most frequent complaints that consumers [regularly report to United Policyholders](#). and a constant theme in the disputes that are brought to our staff, partners and volunteers through the various channels we use to keep tabs on the insurance marketplace.

In ["Delay, Deny, Defend: Why Insurance Companies Don't Pay Claims and What You Can Do About It"](#), Jay M. Feinman, Portfolio, 2010) and ["From Good Hands to Boxing Gloves: The Dark Side of Insurance,"](#) (David Berardinelli, Trial Guides Press, 2008) the authors present numerous examples of what United Policyholders hears about every day from consumers who seek our help.

[PDF: Is Delaying An Insurance Claim An Effective Defense Strategy?](#)



IS DELAYING AN INSURANCE CLAIM AN EFFECTIVE DEFENSE STRATEGY?



In February of 2022, it was reported that more than 10% of all insurance claims related to the infamous Texas freeze were still unresolved. This led to widespread accusations that insurance companies were intentionally delaying claims. But why would insurance companies even want to do this? Why is delaying this process as much as possible advantageous for insurance providers? If you're dealing with an insurance claim, should you delay for as long as possible?

If you're searching for effective insurance defense strategies, your best bet is to book a consultation with a team of qualified insurance defense attorneys. These legal professionals can assess your unique situation and determine the best path forward. The truth is that there are many potential strategies for defending an insurance claim, and delaying for as long as possible might not be the most effective choice for you. When you speak with a qualified insurance defense attorney, you can receive legal advice that is tailored towards your specific situation.

The Advantages of Delaying a Claim

Companies that delay claims may experience a number of benefits. First of all, delaying a claim puts pressure on policyholders. These individuals may be dealing with mounting bills for property damage, legal fees, and medical expenses. Most people cannot afford to continue fighting insurance companies for a prolonged period of time. This means that most plaintiffs will be forced to settle for a favorable amount instead of continuing to negotiate with insurance companies for an extended period. In other words, delaying claims forces policyholders to accept lower settlement offers.



Delaying claims can lower costs in other ways. For example, when an insurance company faces a deluge of property damage claims, they can delay some of them in order to avoid mass payouts all at once. This limits the financial stress on these organizations, and it allows them to invest funds from paid premiums in order to earn interest revenue and offset some of the costs. This is likely one of the main reasons for continuing delays related to the Texas freeze.

Avoid Bad Faith Lawsuits

With all that said, you need to be very careful about how you delay claims. If you delay continuously in an unreasonable manner, you could face a bad faith lawsuit. This is why it's so important to work with a qualified attorney and delay claims in a legal, proper manner rather than opening yourself up to further economic losses.

Enlist the Help of a Qualified Attorney Today

For help from our skilled Brownsville insurance defense attorneys, reach out to Colvin, Saenz, Rodriguez & Kenamer, L.L.P. Over the years, we have helped numerous organizations defend against insurance claims in effective ways. While it's true that delaying your claim for as long as possible may provide positive results, you need to approach this situation carefully in order to avoid legal consequences. In addition, there are other strategies that you might wish to consider. Book a consultation today, and we can discuss all of your legal options in greater depth.

Resources:

statutes.capitol.texas.gov/Docs/IN/htm/IN.541.htm

khon.com/article/news/investigations/texas-winter-storm-victims-insurance-lijmbo/285-a314639c-b320-4bfe-a32c-bd17e52d614

By Colvin, Saenz, Rodriguez & Kenamer L.L.P. | Posted on [May 13, 2022](#)

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Source: <https://uphelp.org/bach-talk-whoomp-there-it-is/> Date: April 4, 2025

See Retraction Statement:

RETRACTION OF “IS DELAYING AN INSURANCE CLAIM AN EFFECTIVE DEFENSE STRATEGY?”

It has come to our attention that the firm’s blog recently posted an entry entitled *Is Delaying an Insurance Claim an Effective Defense Strategy?* that did not reflect our values, beliefs, or practices. We believe strongly that all parties to insurance contracts need to comply with the terms of those contracts and report, evaluate and assess all claims in a professional and timely way. We not only expect that of our insurance clients, but it has been our experience that our clients have those same expectations for themselves. The post has been removed from the site. We deeply regret that content obtained from a third party was not carefully checked, and that the post may have been interpreted by anyone as suggesting anything to the contrary.



By Colvin, Saenz, Rodriguez & Kenamer L.L.P. | Posted on [June 29, 2022](#)

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