

[Auto Claim: Total Loss Guidance](#)

[“Total Control”](#)

(October 2017 Tip of the Month)

An insurance company’s decision whether to classify your [severely damaged car](#) as fixable or a total loss has big dollar significance to you, the policyholder. You can influence that decision with proof of the vehicle’s pre and post loss value.

Depending on the extent of the damage and the value of your car, you may want to get the car repaired rather than declared a total loss. Or, it may be to your benefit to have it declared a total loss. If you don’t agree with an adjuster’s decision on whether it’s a total loss, gather and present him/her with information that supports your view:

- Receipts for work done to the vehicle in the past 6 months
- Pre-loss photos of the interior, engine, tire treads, oil change sticker
- If you can’t ascertain mileage because the car won’t start, refer to the record of your last maintenance
- Make sure the valuation includes all the options your vehicle had (Tinted windows, rear window defogger, heated seats, GPS, leather seats, power)

[Totally worth the effort](#)

(February 2015 Tip of the Month)

If your car is damaged in an accident to the point where repairs would cost more than the car is worth – it’s a “[total loss](#).” Your, or the other driver’s insurance company, is supposed to offer you the actual cash value of your car. In most cases, you sign the title over in exchange for the insurance settlement.

Many people in this situation find they are offered less than they think their car is worth. If you’re one of

these people, [SPEAK UP](#) to get a fair settlement:

Know the lingo: The Actual Cash Value (“ACV”) is the price a willing buyer would have paid you immediately before the event that caused your loss.

Get your own comps: The insurer should set the value of your car based on “comparable” automobiles. Comparable means: “of like kind and quality, made by the same manufacturer, of the same or newer model year, of the same model type, of a similar body type, with options and mileage similar.”

(Note: In some states the law is there should be no deduction for the condition of your lost vehicle unless the documented condition of your vehicle is below average for that particular year, make and model of vehicle)[1]

Do your own research: Many insurance companies determine the ACV by searching for comparable vehicles for sale in the past 90 days. Do your own research to make sure the value is realistic in your area.

No haggling factor: Make sure that the insurer does not arbitrarily reduce the value on the theory a buyer would haggle down the price.

Ask for documentation: If you don’t understand how the insurance company is coming up with their figure, ask to see your claim documents. In some states, the law is that any deductions in value by the insurer need to be specifically documented and supported.

File a complaint: If you feel you are being treated unfairly by the insurer, contact your [State Department of Insurance](#) for help. That state agency and their website will help you research your legal rights on car accident claim settlements.

[1] California, for example, see Insurance Code section CCR § 2695.8(g)

United Policyholders thanks and acknowledges J.R. Parker of Kershaw, Cutter & Ratinoff, for his contribution to this Tip of the Month.