

Personal Advantage  
December 31, 1991  
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## **How to File Airtight Theft or Damage Claims**

**Your homeowner's policy should insure your home, real property and personal possessions against losses from theft, fire or other misfortune.**

And it should also cover your legal liability if someone in your family accidentally injures another person or damages someone else's property.

But the devastation of such calamities can be compounded incalculably by delays or disputes with an insurance company.

There are simple steps to take to make sure your claim is handled smoothly. Whether or not you ever have to file a claim, you should be familiar with your policy, what it protects and its limits.

Your homeowner's policy. Read your policy carefully to make sure your financial interest in your home and property is covered. You may need extra coverage for valuables, such as art, antiques, jewelry, furs, rugs or cameras. Caution: The amount of insurance required by your mortgage is probably insufficient, since the bank is interested only in securing its own financial interest in the property (the amount due on your loan) not your equity or possessions.

Key: Insure property for its replacement value. Most homeowner's policies will insure your house for what it would cost to replace or rebuild. But unless you request otherwise, your possessions are probably insured for their actual cash value, depreciated for age and use. Hence - you won't be able to replace your 10-year-old couch or old leather jacket for its cash value.

Protecting your property. Your homeowner's policy may require that you take reasonable care of your insured property, and it may offer discounted premiums for certain precautions.

Examples: Burglar alarms, sprinkler systems. Proven negligence on the part of the insured could result in a claim being denied.

Example: If the insured property is not occupied for an extended length of time. Best course: Protect your property as if it were not insured.

Written inventory. The key to filing a problem-free claim is to provide up-to-date, detailed documentation of your belongings.

Trap: Home owners invariably forget about valuable possessions in the wake of a fire, flood or other disaster, or have no way to prove that they owned what they claim to have lost.

Solution: Make an inventory. Go through each room, closet and drawer in the house and list your belongings. When possible, note where and when each item was purchased, and the price. Include the manufacturer's name and serial number of electronic items and appliances. Also include a description of your furnishings.

Better backup. Photographs or videotapes are useful as backup documentation. Shoot close-ups to show condition and record serial numbers, etc.

Caution: Do not depend on videotapes or photographs alone to prove your claim. Reason: Claims adjusters, always on the alert for insurance fraud, are often suspicious that photos of objects may not belong to the claimant.

Best documentation: An original sales receipt or copy provided by the store.

Next best: A canceled check or credit card receipt, appraisal or collateral evidence (VCR owner's manual, the box your Rolex came in, record of fur storage). Keep receipts in a safe deposit box with a copy of your inventory.

Useful: Register a copy of the inventory, photos and/or videotape with your insurance agent to avoid any question of authenticity. Update it regularly.

How to file an airtight claim:

File a police report immediately in cases of theft, vandalism or break-in. Failure to call the police could be grounds for your claim to be denied.

Photograph damaged property before it's repaired. Note the circumstances of the incident.

Notify your insurer immediately of your loss. Request a claim form.

Take necessary steps to prevent further loss - or your insurance company may refuse to pay.

Examples: Repair broken windows or locks after a burglary, fix leaks that can do ongoing damage.

Caution: Your insurer will probably only reimburse you for professional repairs, not those you do yourself. If damage is severe, wait for your insurer's inspection and authorization before making major repairs.

Check your policy for specific filing instructions and for coverage you may have forgotten.

Examples: Loss of use, losses sustained while you are traveling.

Fill out your claim form - and keep a copy. Submit it with copies of documentation (police reports, photos, etc.) within 30 days. If you can't estimate part of the claim, such as cleaning fees or repairs yet to be done, notify the insurer that you will make a further claim later.

Key: Accuracy. One major reason for delays or denials of claims is omission of necessary information on the claim forms.

Keep records of all further costs - such as bills from contractors, repair persons, cleaning companies alternate lodgings, etc. Keep copies, too. Make notes as to why repair work is being done and ask contractors for supporting statements. Photograph before - and after - repairs. If you must live elsewhere and eat out while repairs are being done, get written approval from your insurer, specifying where you will stay and the rate. Check your coverage for this expense, as it is usually a fixed amount. When work is complete, submit a final claim.

Adjusters and contractors. Often, insurance companies accept the extent of damages to a home, but may dispute the cost of the necessary repairs. If damage to your home is extensive, the insurance company will send an adjuster to verify the damages and handle your claim.

Cooperate fully and supply information as requested. If problems arise, contact the adjuster's supervisor or the claims manager. After severe fire or water damage, look for a restoration contractor (as opposed to a general contractor) with experience in meeting insurance requirements, providing emergency service and preventing further damage.

Your insurance company may want you to use their contractor rather than your own. If you agree, obtain "guaranty of quality" from both the contractor and the adjuster. If you prefer to use your own contractor and there is a significant gap between the estimates, most policies provide for an umpire to settle the difference.