

# The Insurer's Worst Nightmare: The Fully Documented Insurance Claim

Carol Stebbins

Asset Recording Services's Inventory Specialist

Dated December 1, 2007

The Insurer's Worst Nightmare: The fully documented insurance claim!!!! Property and casualty insurance premiums are investments in one's future ability to recover from property damages or loss. However, paying the premium is only part of the equation: one must itemize losses and when asked by the insurer, produce visual confirmation of "pre-loss" conditions and receipts proving purchase and certificates of valuation. What important element of a disaster plan is usually forgotten? In every disaster plan, one important task is usually left undone or forgotten: the proactive inventory of personal or business assets. For the business owner, dealing with a disaster should not include sifting through the wreckage of a catastrophic event when more urgent concerns prevail: is everyone okay? Where do we go now and what do we do next? How do we assess our losses? And most important after the safety of personnel is: how long will it take to fully itemize losses to ensure the entire loss is accurately reported on the claim? A proactive inventory listing business equipment and electronics right down to the desktop peripherals and pencil sharpener accurately represents covered items. Description of content including model- and serial-number and other identifiers plus still image(s) of each allows the claims adjuster to assess loss and process the claim. The insured property owner who has experienced a catastrophe has the ability to fully represent losses because he knows what he had and can report the loss in detail.

How long will it take to fully itemize losses and ensure maximized payout? The presentation of an insurance claim for loss or damage should follow an exhaustive investigation to catalog what can be restored and what should be replaced. It is at the insurer's discretion whether an item should be restored or if damage is extensive, replaced. Rely on the expertise of remediation specialists to perform their services after receiving signed approval from the insurer that they will bear this expense. Remediation specialists' experience with adjusters and claims reporting will lend invaluable guidance and save time and money in the course of damage assessment.

Why encounter delays in claims processing? When the adjuster asks for additional information to support a damage claim, it is a requirement from the insurance policy contract which can stipulate the responsibility of the insured to list in detail damaged or lost content, and show "pre-loss" conditions.

Why accept the certainty of a diminished claim payout that is less than what is owed? When there is no list of "pre-loss" inventoried content how does the property owner ensure every covered item will be claimed?

How not to file an insurance claim: Property owners relying upon memory and what traces remain of their possessions after a disaster event risk additional losses when an incomplete list of damaged or lost content is claimed.

Beware of the insurance agent bearing a check asking to close out the claim. Often the agent will appear within hours of a claim filing. This is touted as "responsiveness" but whose benefit is served? In the confusion following a disaster event some property owners welcome the offer to receive immediate funds as payment for their losses. There is nothing illegal about an insurance company wishing to make restitution in a timely manner. Be aware that accepting a claims payout prior to full determination of loss can abridge your ability to receive what is owed up to the limits of the covered loss.

Why risk denial of claim because required proof of purchase documentation was destroyed along with visual evidence of "pre-loss" conditions? Asset Recording Service's proactive inventory includes pairing scanned receipts and certificates of appraisal and valuation along with a still image and description within a spreadsheet manifest of insured content. The edited video of all structures on the premise includes interior and exterior views and depicts the contents of cabinets, closets and storage areas as a "visual memory aid" for the property owner.