



## CLAIMS PROCEDURES

### Philosophy

We believe one of the keys to successful claims handling is contacting the insured as soon as possible after a loss is reported. We want the insured to know that we are interested in helping him, try to explain what coverage is (or is not) afforded by the policy for his loss, and get repairs or replacement efforts underway as soon as is practical. Our objective is to make contact with the insured within 48 hours of the loss date.

### Adjusters

We try to handle as many claims as possible using our own adjusting staff. We feel this helps us assure quality and consistency in claims settlement, and also helps us control adjusting expenses. Any assignments to independent adjusters must be made through our office.

### Report Procedures

1. Complete the "Property Loss Notice" on the company system; fax the standard ACORD claims form; or call our office when the insured reports a loss to your office.
2. Do **not** assume a claim will be under the deductible. *Some of our largest claim problems have resulted from late reports on claims the agent initially thought would be under the deductible.*
3. Do **not** tell the insured to get damage repaired and send us (or you) a bill. *This oftentimes results in unrealistic repair bills because a repairman feels he has 'carte blanche'.*
4. Do **not** assume that there is no injury or that an insured is not liable for damages on a farm liability or a CPL claim. *This can often result in a minor claim getting out of control and in the hands of a plaintiff's attorney.*

It is especially important that we are contacted immediately on the following types of claims:

1. Severe or total fire or windstorm losses.
2. Roof damage claims
3. Lightning losses to appliances and pumps
4. Lightning losses to livestock.
5. All potential liability and medical payments claims.

### **Conclusion and Follow Up**

When a claim settlement is reached, the first party check or checks will be sent to the insured unless we are advised otherwise. Occasionally, when an attorney is involved the checks will be mailed to his office. Third party checks (liability and medical payments claims) will usually be sent to the claimant.

It is our practice to also send a follow-up questionnaire to the insured at the time of settlement. We use the questionnaire to monitor the effectiveness and timeliness of our claims handling practices.