**Insurance Claims  
 Taking the Hassle Out of Insurance Claims**

Insurance companies who insure churches are generally very cooperative and willing to assist with any claim. It is always wise to choose your insurance company carefully, preferably one which specializes in churches, such as Church Mutual, Guide One, Brotherhood Mutual, etc. These policies are more comprehensive and usually make claim time experiences less stressful.  **Full printable article link at the bottom of this page.**

When there is a covered cause of loss, someone from the church will need to provide the following information to get your claim started:

·       Always call your insurance representative as soon as soon as possible after the loss has occurred, even if you do not have all your details and information ready. This can speed up your process. **(Sample Information Form Links for each type of insurance are listed at the bottom of this article for your convenience)**

·       You will always need to provide your name, church name, policy number, and the type of claim or incident that the church is reporting. The representative may give you details to prevent further loss, provide additional information when your claims representative may be expected, and will ask whether anyone was injured. Most of the questions they may ask are found on the sample information forms at the bottom of this article.  If it is a major property claim, they may ask whether you have plans on meeting for church elsewhere. If it is for auto claim, they may ask whether you need another vehicle to use in your church operations.

If your claim **involves** liability, injury, or possible sexual abuse, please provide as much information as you can.  The insurance company will need to know of names, witnesses, the nature of the liability claim, and will probably give you steps to follow to ensure the health and wellbeing of others.

All insurance companies really appreciate the church providing medical care for injuries and taking the steps to insure no further property damage is sustained.  We also have provided a **critical incident reporting form** at the bottom of this article for the church to use on every incident whether there is an immediate insurance claim filed or not.  Some claims are filed much later.  Using this form on every incident can help you remember details on a future claim.

·       **On Property Claims**, on a claim involving contents, it is a good idea to have a list of contents available to give to the claims representative.  It is our recommendation for every church to take pictures from time to time to insure an accurate view of contents, building decorations, and quality of upkeep when a claim occurs.  If you do not have pictures, make a comprehensive list, involving as many people as you can, so you can provide an accurate list.   
  
Assist the claims representative throughout their examination process. Be sure to point anything the representative has missed to see. Do Not Argue or Pressure the Representative! They are there to assist you and usually do an excellent job on your behalf.

·      On property loss, it is wise for churches to get another estimate of replacing the damage from a third party to make sure the estimate from the insurance adjuster will be adequate to replace or repair the damage. If there is a difference in estimates, be sure to point this out with the claims representative. If you do not have an estimate available when you first meet your insurance representative, you can call them at a later date with your estimate or to negotiate. In most cases, their first estimate is not their final say. You also have a right to question any estimate.

·       Remember that many policies will have deductibles, co-insurance features, and depreciation.

**Co-Insurance** is a formula that takes into consideration of the value of your building or property was supposed to be insured to the value that it was actually insured. If a Building is valued at $1,000,000 but was only insured for $500,000, then the claim about awarded may be closer to 50% ($500,000/$1,000,000). Most policies have an 80% clause to state that they will pay full value if values are within 80% of what they were supposed to be insured.   Some people who are not knowledgeable in insurance may get upset, but it is important to note if a church **chooses** to underinsure, it can also be argued of which part of the building was actually insured? The insurance companies don’t like to use this approach so they will usually pay a percentage (co-insurance) to the church. It basically means that the church assumed some of the loss due to their willingness to insure at a lower amount.  Please remember your insurance is only good as it is at claim time, so it is very important to insure it properly!  One can get by with less until claim time.

**Depreciation** is placing the life of a particular item, such as equipment, furniture, carpeting, air conditioning, or a roof. The most common misunderstanding usually involves roof damage. If the lifespan of the shingles on your roof has 25-year expectancy and they have already been on the church for 15 years, they have served the church well and the insurance companies will place a value on the singles at the time of loss, which will have a depreciation of 60% (15 years divided by 25 years). In this case the church would receive 40% of the estimate to replace the roof. (A good example is with auto insurance.  An insurance company is not going to pay for a brand-new auto when you have lost a 15-year-old car.  It would be hopeful wishing but in truth, the insurance company would only pay the price of another 15-year-old car with the same make and condition.)

·       Most insurance companies will issue a claim’s check once an agreed value has been reached. If the actual estimate increases, the church can request the differences to be considered.  On auto claims, some insurance companies have their own body shops or a list of body shops they recommend.  Some companies offer a mobile service to repair windshields or glass. 

·       Auto claims should include:

          a.  insurance company information on your policy and the other person if others are involved.

          b.  who is at fault

          c.  witnesses

          d.  list any injuries and what was done

          e.  any medical expenses incurred

          f.  drawings and details of the accident site

          g.  dates and times

          h.  police reports

·       Filing a claim is usually very easy and trouble-free. If you have a problem that cannot be resolved, please remember that most states have an insurance commissioner in that state.  They usually regulate insurance companies and will usually have a complain department to handle insurance differences. Don’t be afraid to call them. Please remember, the church is paying a premium for a service, but please remember, if the complaint is over being under-insured, that is probably the church’s fault, not the insurance company.