

CASE STUDY:

HOW AN ACCIDENT CAN AFFECT INSURANCE PREMIUMS

A consumer is at a loss regarding the impact of an accident on her policy rating.

The insurer never explained the applicable legislation regarding fault and neglected to advise the policy holder how the accident could affect her driving record.

Case:

The consumer rear-ended another driver and reported the accident to her insurer. She was confused about the determination of fault and could not get a clear understanding of any possible ramifications of the accident on her driving record. As a policy holder she believed that she was entitled to a full and clear explanation of what was happening.

The consumer had escalated her concerns to her company agent, adjuster and Claims Management personnel. She told them she did not understand the technical insurance jargon. She also felt that she was getting conflicting information and was very unhappy with the delays in people getting back to her. She did not feel that people were responding to her follow up questions and was so upset that she planned to go the press.

Resolution

A GIO Consumer Service Officer (CSO) first explained the allocation of fault under the Fault Determination Rules. Additionally, the CSO advised the consumer to escalate her concern to the company's Company Liaison Officer (CLO) and stressed the need to obtain information that could help her understand the ramifications of her accident on her policy rating. After speaking with the CLO, the consumer understood the effects of her accident on her policy rating and received a Claims Experience Letter documenting the explanation. She was so pleased that she decided not to go to the press and stayed with the insurer.