

CASE STUDY:

WHAT'S THE HITCH?

A consumer doesn't understand that his insurer has given him excellent service.

When a consumer upgraded his trailer after a loss, he did not understand that his insurer had compensated him well.

Case:

The consumer owned a travel trailer which was insured under a separate policy from his auto insurance. When he purchased it he upgraded the hitch mechanism from the one supplied with the trailer, but did not advise his insurer of the change. The hitch, although attached to the trailer, was not listed on the policy. After a total loss of the trailer, he did not understand why the insurer would not replace the hitch he had originally attached to the trailer. His insurance company ombudsman referred him to GIO.

Resolution:

In discussion with the consumer our Consumer Service Officer was able to confirm that the insurer had paid out the full amount of the replacement cost for the trailer, in accord with the policy. Further discussion with the company's Complaints Liaison Officer revealed that the insurer also paid for an upgrade to a different type of trailer and hitch that the consumer chose to purchase after the loss; and for items inside the trailer that had also been destroyed. Their decision not to pay for the original hitch was "put in context" so that the consumer understood that his insurer had been very fair to him.