

LESSONS LEARNED FROM LOSSES

MONTHLY NEWSLETTER – JULY 2019

PROMPT REPORTING



- For all lines of coverage, please report the claim as soon as possible to our office.
- The sooner we get any claim the sooner we can begin to help you through the claim process, provide an immediate defense if needed or assist an employee with medical needs.
- In Workers' Compensation, late reporting can lead to injuries becoming worse and it makes it more difficult for us to determine whether the injury occurred on the job.
- In Liability, late reporting can jeopardize the best possible defense being provided to your town.
- With Property claims, late reporting can cause coverage issues and delays in getting repairs completed.
- Delays can also cost us the ability to secure restitution from negligent parties.

Example: A shore town's bulkhead was hit by vehicle. Damage was done to the bulkhead, but it was not reported to us and no inspection was done by the town or their engineer. The same section of bulkhead was hit 3 months later by a drunk driver. 3 weeks after the 2nd date of loss both claims were reported to us. The total damages were \$148,654. Our field adjuster tried to estimate how much damage was done by the 1st vehicle and separately by the 2nd vehicle. Ultimately, because it was impossible to distinguish between the damage done by the first vehicle and the damage done by the second vehicle, arbitrators awarded no damages to the JIF as it is impossible allocate and quantify damages between the accidents. Only \$30,000 of the damages were recovered. With prompt reporting the amount recovered could have been much higher.