

# HOW INSURANCE COMPANIES SETTLE CASES

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## **HOW INSURANCE COMPANIES SETTLE CASES**

When you were injured in an auto accident I know you thought you were a victim. Unfortunately, the insurance company does not see it this way. You are now a target. You are at war and the objective of the insurance company is to defeat your claim. The insurance company will use all the tools at their disposal to show that you were not injured or that the injury was insignificant. They will try and make you feel as if the accident was your fault. They will try to make you feel guilty for being injured and asking for money to compensate you for that injury. You have entered into a battle with the at-fault insurance company. The insurance industry has spent billions of dollars on propaganda to convince the public of false and misleading information about accident claims. The insurance industry is telling us that the legal system is out of control. They are telling us that we need TORT reform because people who file lawsuits are getting big verdicts for minor injuries. This propaganda has created a public opinion that a person injured in an accident is out for a free ride that is causing everyone's insurance rates to go up. This "misinformation" spread by the insurance industry has had a negative influence on juries. This has led to verdicts getting lower and lower over the last several years.

Juries are skeptical of lawsuits. Why did you claim money for "pain and suffering"? Is this claim going to cost them money? They believe the myths spread by the insurance industry. This is a huge obstacle in arguing and achieving a just and fair verdict in your case. Juries will be suspicious of your every word. They do not trust you. They have been taught to look at verdicts as windfalls to the Plaintiff instead of fair and reasonable compensation to the injured. It is more difficult to get a fair and just verdict today than it was ten years ago.

As you probably know the insurance claims adjuster wants to pay you as little as possible, even if you have a legitimate claim that involves a serious injury. Insurance adjusters are trained on how to save the company money. This is not the same as examining a claim and paying a fair settlement. Some insurance companies reward their adjusters with bonuses or

promotions based on how much money that person saves the company rather than how many claims are settled. The claims adjuster can save the insurance company money in a number of ways:

- Delay. Some adjusters will use delay tactics in hopes of wearing you down. The hope is that you will throw up your hands and say “enough” and accept the company’s low offer. You just want it over. While they do this the money that should be paid to you is earning interest on the insurance company’s investments. The delay is making money for the insurance company.
- Requesting unnecessary information. Some adjusters will request “documentation” even if the information has little or no bearing on your case and their evaluation. Repeated requests for unnecessary documentation can frustrate people and wear them down. The hope is you will accept a low settlement offer.
- Disputing the medical treatment. The adjuster will attempt to minimize the value of your claim by disputing your need for medical treatment (even if the treatment is prescribed by your own doctor). It may not matter to the adjuster that your treatment has been prescribed by a reputable doctor who has performed a thorough medical exam on you. Not only is the at-fault insurance company doing this, but your insurance company is using the same tactic in an effort to deny payment for your medical bills.
- Dispute the medical charges. The adjuster may try to convince your doctors to accept 70, 80 or 90 percent of their medical charges. They may not even have any medical background to support such a position. This is your insurance company. This makes it harder for you to continue your medical treatment if your doctor isn’t getting paid or is forced to accept a discounted rate.
- Telling you that you don’t need an attorney. The insurance company may tell you not to hire an attorney.

That you do not need an attorney. They may tell you that any money you receive will go only to the attorney. Other times the adjuster may threaten to “deny” or “lowball” the claim if you hire an attorney. Studies show that most cases settle substantially higher when there is an attorney involved. In most instances you will still receive more after the attorney fee than you would have without an attorney accepting the insurance company’s low ball offer.

- Acting as your friend. The claims adjuster will “befriend” you and make it look like he/she is watching out for your best interest. In fact, he/she is not. Remember the adjusters’ job is to save the insurance company money, not to get you the best settlement possible.
- Making false promises. Ask to get any promise made in writing and see what happens.

These are some of the tactics that the insurance industry is using to wear down injured victims so that less money is paid out on claims. The industry has been very successful using these tactics. I am sure you have heard their battle cry called Tort Reform. The success of Tort Reform has given the insurance industry a great tool they use to withhold fair settlements unless you convince them that you are ready, willing and able to go to trial. Do not be discouraged. You can still receive fair compensation for your injuries, but it takes time, effort and knowing what is going on.