

Insurance Adjuster

Surveying the Damage

Individuals and companies buy property and casualty insurance to cover themselves and their property in case of a personal injury or property damage. When a hurricane, tornado, automobile accident, fire, or similar event occurs, they file a claim with their insurance company.

Some policyholders try to obtain money they don't deserve by filing fraudulent claims. As an insurance adjuster, you will investigate these claims to decide whether a claim is legitimate. If a claim is legitimate, you will pay the policyholder for repair or replacement of property and for expenses related to personal injury. Often, you will negotiate a settlement for a stated amount of money.

Insurance adjusters must have excellent communication skills. What other skills do insurance adjusters need?

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____

Sketching the Scene

This morning the fog was so thick that 15 cars piled up on Interstate 395. You have had calls from two policyholders who say they were involved. As an insurance adjuster for Trustworthy Insurance, you will handle these claims.

After you reach the scene of the accident, you survey the damage. The first car you investigate is a red 1987 Dodge Grand Caravan minivan. The driver says his was the final car in the pile-up, though it rests a few inches back from the 2006 Mercedes in front of it.

The Caravan's front bumper is bent, the windshield is cracked, and a long scrape runs down the passenger side of the vehicle. The Mercedes, which is in much worse shape, belongs to your second policyholder. The Mercedes looks like an accordion, and its air bags have deployed.

Make a rough sketch of the accident as you imagine it would look.



Interviewing the Participants

Research is a large part of an insurance adjuster's job. To get the full story about a claim, you will interview the claimant and any witnesses to an event. You may also talk to the police and review hospital records. Depending on the type of claim, you may also consult with experts such as engineers or physicians.

To get an accurate account of what happened at the 15-car pile-up, you speak to policemen, firefighters, paramedics and all accident victims who are in a condition to speak. You also interview a few witnesses nearby.

Write one question you would ask each of these people.



1. Police _____



2. Firefighters _____



3. Paramedics _____



4. Accident victims _____



5. Witnesses _____

Getting to the Bottom of Things

As your investigation continues, you learn several important details. The pile-up started when one driver abruptly changed lanes. The driver in the next lane was moving much too fast for the foggy conditions and could not react in time to avoid a collision. A couple walking their dog on the overhead bridge saw this.

After that, it was just a matter of seconds before several other cars, blinded by the fog, collided with the first two cars. The couple saw the 2006 Mercedes slam into the car in front of it. That was the last collision they saw or heard. This gets your interest. Obviously, the Mercedes suffered damages from the pile-up. But what about the Grand Caravan? You begin to investigate the owner of the Grand Caravan.

Circle each item below that tells you the Grand Caravan driver may not be telling you the truth.

- The driver is 28 years old.
- The driver is originally from France.
- The driver has filed six claims in the past four years.
- The driver is nervous.
- The air bags did not deploy in the Grand Caravan.
- The damages to the Grand Caravan are not consistent with the accident.

Settling the Claim

After careful investigation, you conclude that the driver of the Grand Caravan has committed fraud. You turn this matter over to an insurance investigator. The driver of the Mercedes has a legitimate claim. Her car was totaled, and you conclude that she should be reimbursed for damages.

You must consider many criteria when negotiating how much the driver should receive. First, you determine the make and year of the car along with its mileage and general condition.

Imagine that you are the adjuster and consider the following facts. If you think a fact should *increase* the amount paid to the policyholder, circle INCREASE. If you think a fact should *decrease* the amount paid to a policyholder, circle DECREASE. If you believe the fact should have no effect, circle NOT APPLICABLE

- | | | | |
|--|----------|----------|----------------|
| 1. The car is a Mercedes. | INCREASE | DECREASE | NOT APPLICABLE |
| 2. The car has 175,000 miles on it. | INCREASE | DECREASE | NOT APPLICABLE |
| 3. The car is blue. | INCREASE | DECREASE | NOT APPLICABLE |
| 4. The car had new tires. | INCREASE | DECREASE | NOT APPLICABLE |
| 5. The car has been in two
prior accidents. | INCREASE | DECREASE | NOT APPLICABLE |

Paying the Bills

Beginning insurance adjusters earn around \$30,900 a year, and an experienced insurance adjuster can earn \$79,100. The middle income is about \$50,600.

Typical living needs appear in Column 1. Add or delete categories to fit your lifestyle. (For example, do you share expenses with a roommate?) In column 2, show the income you will need monthly in each category. Calculate your annual expenses.

Column 1	Column 2	Column 3
Rent		
Electric and heat		
All telephones		
Groceries		
Eating Out		
Car Payment		
Gasoline		
Entertainment		
Personal Needs (cosmetics, hair cuts, etc.)		
Income Taxes (Approximately 25% of salary)		
Savings		
Miscellaneous		
Total Monthly Budget		

Monthly expenses _____ x 12 = Annual expenses _____

Can you live on a beginning insurance adjuster's salary? _____ If not, in Column 3 adjust your budget to fit your salary.