



Claims

An insurance policy is a financial agreement between an insured and the insurer. The insurer agrees to pay for any covered losses experienced by the insured in exchange for a fixed premium amount.



A claim is an official request from the insured to the insurer, or insurance company, to be compensated for a loss incurred. For example, if a vehicle is damaged in an accident and the owner has car insurance, they will file a claim to begin the process to have the insurance company pay for the repairs.

Selectsys offers to act as a mediator between the insured/their agent and the carrier. We have extensive experience in communicating between these parties. From receiving a request from the insured/agent, to promptly submitting a claim to the carrier, and communicating any necessary information thereafter, Selectsys knows how to do the job efficiently.

Notice of Claim:

When an insured experiences a loss, they must report it to the insurance company within the stipulated timeframe to have it covered under the policy. This first notification from the insured is called a notice of claim. The notice will usually include the claimant/plaintiff's name, the date the loss occurred, and a detailed description of the loss itself.

- *Claimant:* The claimant is the individual who suffered the loss. It can be a person or a company.
- *Date of Loss:* The day and time of the recent loss.
- *Description:* The claimant should explain the loss experienced in detail. The insurance company will need to know the severity of the loss.

Reporting a Claim:

When an insured/agent alerts Selectsys of a claim, we begin by entering the claim information into the customer's management database. We also check for any missing information that the insurer needs and request it from the insured/agent. A Selectsys team member will email all claim information and supporting documents to the insurer in a timely manner. Reporting a claim and providing the required information as soon as possible is a key factor in claim processing. Any delay or missing information may lead to the rejection of the claim, which can reduce customer satisfaction.

Typically, an insured will provide contact information to the insurance company so they can get in touch with them regarding the claim. Selectsys will be copied on all communications to ensure everything is recorded into the management system.

Claim Acknowledgement:

Once the insurance company receives the claim report or notice of claim from Selectsys, they will acknowledge the claim via an acknowledgment letter. Selectsys will update the customer's database and forward the acknowledgment to the agent/insured. An acknowledgment letter usually consists of the following:

- Insured name and Policy details
- Claimant Information
- Date of loss
- Loss description
- Claim reference number
- Adjuster's information
- Brief notes regarding the loss

Reservation of Rights:

A reservation of rights (ROR) letter is a notice from the insurer that signifies that the claim may not be covered. An insurance company sends this letter to alert the insured that they are investigating the claim and reserve their right to deny the claim if they determine it was not covered under the written policy. A ROR is typically issued when insufficient evidence and unsubstantiated allegations are provided with the claim. It does not mean the claim will be denied, but the insured should be prepared for a partial payment or no payment at all for the loss.

Claim Denial:

If an insurer investigates a claim and they determine the loss is not covered under the written coverage, the claim will be denied. In the claim denial letter, the insurer will clearly mention the cause for the denial and provide the report from the investigation. They will also outline why the nature of the claim does not come under the coverage of the policy.

Claim Close:

When the claim process has concluded and the insured has been compensated for the loss, the claim will be closed. A notice of the closure of the claim will be sent to the insured. This notifies the insured and all parties included that the claim has been processed according to the policy. The Selectsys team will forward the notice to the parties and close the claim in the database for the customer.