

When is it a Good Idea to File an Insurance Claim (And When is it Not)?

To steal a line from Shakespeare: "To file or not to file. That is the question." At first blush it may seem like a silly question. Across the U.S. the average yearly cost of homeowner's insurance is more than \$1,700 and for car insurance we shell out an average of a little more than \$1,600 a year according to nerdwallet.com, so why not use it? There are many situations where filing a claim is a poor choice and other situations where not filing is an equally bad decision. We'll try to sort this out for you.

When the damage is slight—don't file

With any insurance claim, even when it is for minor damage to your home or car, you run the risk that your insurer will jack up your premiums. In a worst case scenario, your insurance company might even refuse to renew your insurance.

This is especially true if your insurer believes that you were negligent or the damage is likely reoccur. Former insurance agent Bill Wilson, CEO of InsuranceCommentary.com points out, "The easiest way to get your policy non-renewed is to report a couple of water damage claims from plumbing leaks." Some insurance carriers may not even be willing to offer you coverage if you have been dropped.

If the repair costs to your home or car are barely above your deductible you should probably avoid filing a claim. Your insurer won't cover much of the claim and you risk a premium increase or a non-renewal.

When someone is injured—file

"If you're in a car accident and you, the other driver or a passenger in either car gets hurt, that's an automatic reason to file a claim," advises financial expert and radio host Dave Ramsey. This advice also holds true is someone is injured in a covered incident in your home.

If your policy excludes the damage—don't file

If an incident is not covered by your insurance, don't ask for trouble by filing a claim that you are fairly certain will be denied. Some people take a chance with a filing (the insurance equivalent of throwing a Hail Mary pass) believing they have nothing to lose and hoping that the insurance company will pay. This is a dubious strategy. Even claims that are denied are reported to the



Just asking an insurance agent about a potential claim can affect rates—even if the claim is never filed.

Comprehensive Loss Underwriting Exchange (CLUE) national database. A CLUE report generally contains up to seven years of your auto and property claims history and can be requested by any insurance company. (If you've never heard of CLUE before, you're not alone. According to a survey by insurancequotes.com only one percent of people were familiar with CLUE reports.)

Before you file a claim study your policy and perhaps get the advice an insurance expert. But don't ask your agent. The Washington Post reports "that just asking an insurance agent about a potential claim can also affect rates—even if the claim is never filed."

"If you believe you have a [significant] insurance claim, it is always better to contact a lawyer before you speak with any insurance representative," says Allen Patatanyan, co-founder of West Coast Trial Lawyers in Los Angeles. "Consulting with a lawyer for a potential insurance

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File, Don't File...cont.

claim should be free, so there is no downside in receiving some sound legal advice before you move forward."

The damage is from normal wear and tear—don't file

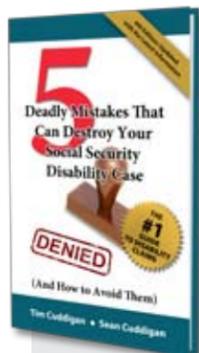
Your insurer has the right to deny your claim based on negligence under "failure to maintain" exclusions written into most homeowner insurance policies. "For example," bankrate.com says, "if you have a seriously damaged and leaking roof that resulted from your failure to replace shingles that led to the bigger problem, your carrier will likely deny your claim."

When you're not sure who is at fault in an accident—file.

Let's say you and another car collide at a four-way stop, but it is unclear who is at fault. Let's also say the damage is minor so you may be tempted just to settle with the other driver, but this is a risky decision. "[Y]ou don't really know whom you're dealing with," nerdwallet.com points out. "What if you pay for repairs, and months later he comes back demanding more? Your liability insurance is there to protect you from lawsuits, and your insurance company is experienced with handling parties involved in an accident, no matter how angry they are."

When you are the only one involved and damage is minor—don't file

If in a moment of inattention you back into a concrete barrier in parking lot, for example, it may make good financial sense to just pay the cost of repairs out of your pocket (or live with a dent.)



4 Ways to Get Better Service from Social Security

The pandemic has been hard on Social Security customer service. In fiscal 2021 the average phone wait time was 13 minutes. In 2011 you only had to wait three minutes on average to be connected with a representative.

To improve your odds of getting better customer service from Social Security here are four tips:

1. **Avoid calling for help during busy times.** Peak hours for the national toll-free number are the first week of the month and when payments are made, generally Wednesdays.
2. **Go online to research your question and skip the phone all together.** Go to ssa.gov and use the search box to look for an answer. When you find your answer, bookmark the page. If you need to talk to a Social Security representative you can show the rep where you found it.
3. **Do your own independent research.** Many non-profit and investment companies offer useful information, articles and calculators online. Our website, cuddiganlaw.com, has hundreds of informative articles and videos about Social Security disability and you can access them for free.
4. **Consult an expert.** You can start with our firm. If you are considering filing for disability benefits or your claim has been denied, give us a call at 402.933.5318 and we will give you a free evaluation of your situation.



Comfort Food

From the kitchen of Janet Cuddigan

Sweet (but Healthy) Popcorn

Who doesn't love caramel corn? Here's a healthy alternative that tastes just as sweet and good.

- 3 Tablespoons coconut oil (or olive oil)
- ¾ Cup popcorn kernels
- 2 Tablespoons honey, or more to taste
- Salt to taste
- 1 Pinch ground cinnamon, or more to taste

Heat oil in a large pot over high heat. Drop 3 popcorn kernels into the hot oil and place a lid on the pot; cook until 1 kernel has popped. Remove the lid and pour in the remaining popcorn. Return the lid to the pot and cook popcorn about a minute shaking pot back and forth over burner, until there are 1 to 2 seconds between pops, Quickly transfer popcorn to a large bowl and evenly drizzle honey over popcorn. Add salt and cinnamon. Toss popcorn with your hands to coat evenly.



Adapted from allrecipes.com

"5 Deadly Mistakes That Can Destroy Your Social Security Disability Case" is the #1 guide to improving the odds of winning a disability case.

For a FREE copy for you or someone you care about call Cuddigan Law at 402.933.5318 or email us at lawteam@cuddiganlaw.com

As a Veteran Do I Need to Enroll in Medicare Part D?

Medicare Part D, the prescription drug benefit, is the part of Medicare that covers most outpatient prescription drugs. If you are an eligible participant you pay a monthly premium to a private insurance carrier for your Part D plan. In return, you use the insurance carrier's network of pharmacies to purchase your prescription medications. The federal government subsidizes premiums and contributes to cost-sharing.



If you are a veteran who is enrolled in the VA health care system (or qualify based on one of the exceptions in the law) you are eligible to get your prescribed medications through a VA Outpatient Pharmacy. You do not need to enroll in Medicare Part D.

However, there can be situations where it is advantageous to sign up for Part D such as when a VA Pharmacy is too far away or when a specific prescription is not available through the VA. If you enroll in VA drug coverage and Part D coverage, bear in mind that the two do not work together. Part D will only pay at pharmacies in your plan's network and the VA will only pay at VA pharmacies and clinics.

Under Medicare rules, if you enroll in a Part D plan after the Initial Enrollment Period ends you will be charged a penalty. You are exempt from the penalty if you have had "creditable drug coverage". VA medication coverage is considered creditable drug coverage. You should receive a notice from the VA letting you know that your coverage is, in fact, creditable. You should keep this notice. If you decide later you want Medicare prescription drug coverage, you may be required to show proof that you had creditable coverage.



Brain Teaser

How can you throw a ball as hard as you can and have it come back to you, even if it doesn't bounce off anything?
(There is nothing attached to it, and no one else catches or throws it back to you.)



For the solution go to cuddiganlaw.com/library/newsletter

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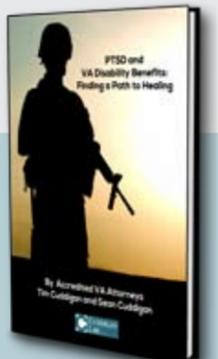


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You will find a full range of information about qualifying medical disorders, how-to tips on navigating the system, and insider advice on winning your claim.



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