

## CHAPTER 4

# DUTIES AFTER A LOSS

Member organizations and their drivers have certain obligations after an auto incident, which when met, help improve the overall outcome of the claim and reduce the time for and cost of a claim resolution.

Per the MCIT Coverage Document, after a motor vehicle incident involving a covered auto, members must:

- › Promptly notify MCIT about the incident. This notice should include:
  - ◆ How, when and where the incident occurred.
  - ◆ Names, addresses and phone numbers of any injured persons or witnesses.
- › Protect the vehicle from further damage.
- › Allow MCIT to inspect the vehicle.



Members also must notify police if a covered auto is stolen. Members are advised not to assume any obligation, make any payment nor incur any expense without MCIT consent, unless at their own cost. (See Chapter 4 for safety steps to take after a crash or when a vehicle becomes disabled).

Should a claim or suit be brought against a member for the incident, other duties may become necessary, such as:

- › Sending copies of demands, notices, summons and legal papers to MCIT.

- › Authorizing MCIT to obtain medical records.
- › Submitting to questioning (under oath if necessary).
- › Identifying and preserving information, documentation and evidence.
- › Cooperating with MCIT.

These and other duties in the event of an occurrence can be found in the MCIT Coverage Document.

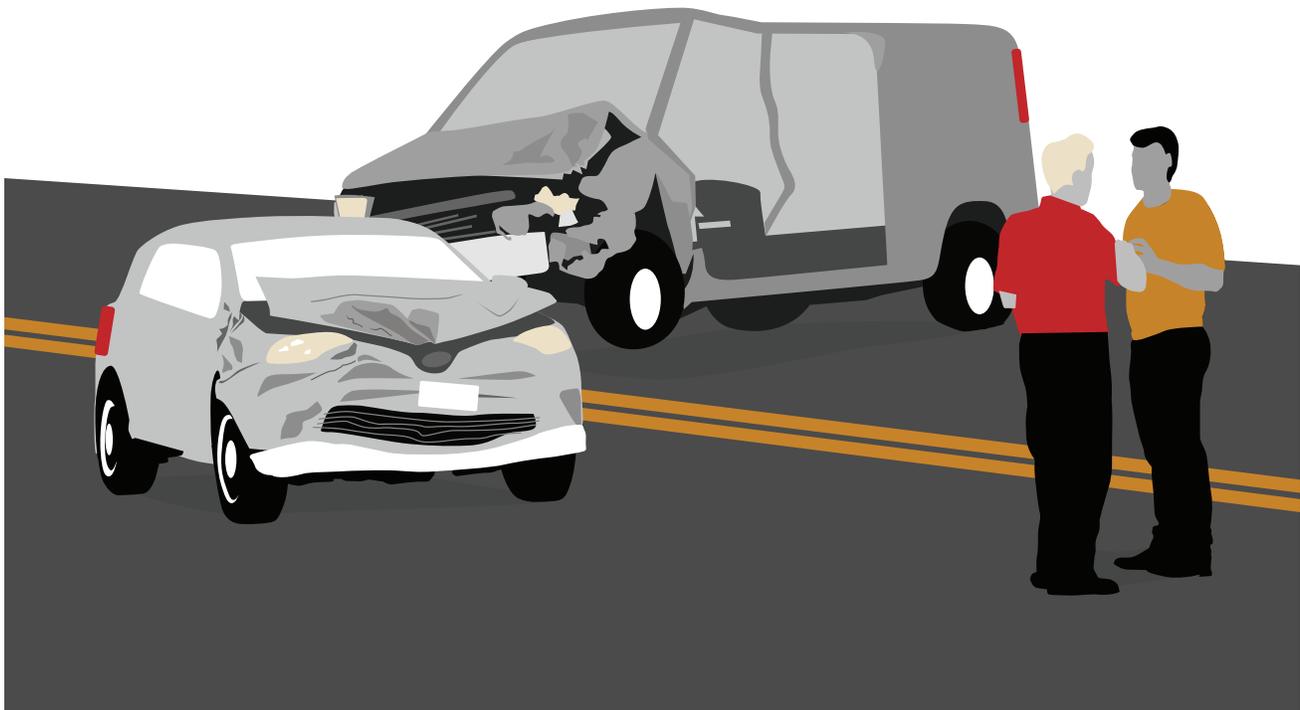
## STEPS AFTER AN AUTO INCIDENT

First after a collision or crash, the driver should follow the safety steps outlined in Chapter 4. He or she must not leave the scene of the incident. Although not required by Minnesota law, MCIT recommends that in all situations the driver contact law enforcement to file a report.

Next, the drivers of affected vehicles must exchange information. When exchanging details, the member's driver should:

- › Not admit fault, as additional information may prove otherwise.

- › Avoid making any statements that could be misunderstood, misinterpreted or used against the member.
- › Obtain key information from other drivers involved in the incident: names, addresses, phone numbers, driver's license numbers, license plate numbers and auto insurance information.
- › Whenever possible, gather contact information for witnesses.
- › Photograph the scene of the incident if possible, including damage and conditions (see "Take Photos of the Scene" for more details).



- › Note the date, time and conditions. Individuals should not rely on law enforcement to gather this information. Also drivers should not hinder first responders in an effort to gather this information. Obtaining medical attention and the safety of the accident scene should take precedence .
- › Pay attention to and record what other parties say at the scene. People are more willing to talk about their situation, how the incident happened, who was at fault and so on immediately after an incident.
- › Be cognizant of the organization's policy about responding to the press.

MCIT provides vehicle incident kits where drivers can note insurance information and details from others involved in the incident. If an employee hits an unoccupied vehicle, he or she must attempt to locate the owner and follow the procedures outlined above. If unsuccessful, the driver may leave a note, indicating his or her name and contact information and a brief description of the incident.

Lastly, the member should report the incident to MCIT (see page 48) if it involves a member-owned vehicle or an employee was injured in the incident. This may involve an internal process where the driver reports the incident to a supervisor, who then begins the claim process.

For situations involving a personal vehicle used on behalf of the member, the driver must notify his or her own auto insurance.

## VEHICLE INCIDENT KIT

The vehicle incident kit includes a vinyl pocket in which fit:

- ◆ **Incident record forms:** These can be completed at an auto incident scene to detail the situation.
- ◆ **The auto coverage identification card:** This fits in the pocket that holds the incident record forms.
- ◆ **Vehicle incident courtesy cards:** These should be completed by the member's driver and given to the other driver involved in the incident.

The kit is easily kept in a vehicle's glove compartment. Drivers are encouraged to supplement details on the incident record form with photos from the scene if possible.

When a vehicle is removed from a member's fleet, the incident vehicle kit should be moved to the replacement vehicle and the coverage identification card updated for the new vehicle.

Members can order vehicle incident kits by contacting MCIT at [info@mcit.org](mailto:info@mcit.org) or 1.866.547.6516.

The image shows three forms from the vehicle incident kit. At the top is the 'Incident Record Form' with fields for 'Vehicle', 'Investigating Officer', 'Date', 'Location', 'Report #', and 'Driver #'. Below it is the 'AUTO COVERAGE IDENTIFICATION CARD MINNESOTA' which includes fields for 'DOCUMENT NUMBER', 'EFFECTIVE DATE', 'EXPIRATION DATE', 'YEAR', 'MAKE/MODEL', 'VEHICLE IDENTIFICATION NUMBER', 'AGENCY ISSUING CARD', 'MINNESOTA COURTESY INTERGOVERNMENTAL', 'COVERAGE LIABILITY', 'THU/ST', 'CONFIDENTIAL', 'X', 'MEMBER', and 'DEPARTMENT'. At the bottom is the 'Vehicle Incident Courtesy Card' with instructions: 'In the event of an incident: ● Complete with your information ● Give to other driver'. It also has fields for 'Date/Time', 'Driver's Name', 'Driver's License #', and 'Vehicle Plate #'.

## TAKE PHOTOS OF THE SCENE

An important area where members can assist in the auto incident investigation is taking photos of the scene soon after an incident. Members should educate employees about taking incident photos. Using a smart phone makes it easy to capture images at the scene.

The driver should take photos of:

- ◆ Vehicles involved, including from all corners of all vehicles (even if no damage) and pictures of license plates.
- ◆ Driver's license and insurance information of the other driver(s). It can be easier to take photos than to write everything down.

- ◆ Road, traffic controls, etc., especially if weather or other changing conditions are factors. It is helpful to preserve exactly what the scene looked like when the incident occurred.

It also helps MCIT's process when the member determines whether any vehicle or traffic camera video or video surveillance from nearby surrounding buildings is available. If necessary, the member may need to return to the scene to take additional photos as part of the investigation/claim submission process.

## REPORTING AUTOMOBILE INCIDENTS

Members' auto claims must be promptly submitted via the member portal at *MCIT.org*. The online claim reporting system allows members to upload related documentation, such as photographs, witness statements, diagrams, etc. Maximizing the effectiveness of the claim process requires that members and MCIT staff work together.

Members' quick recording and reporting of basic incident facts are critical to a claim investigation. The closer to the incident date that parties involved record their recollection of events, the fresher it is in their minds. The more time passes, the more difficult it becomes for individuals involved to remember events that occurred many days or weeks earlier.

Members should always report losses and incidents to MCIT promptly. This works to protect the member's coverage rights and helps ensure that the member, its employees or other claimants are paid in a timely manner when warranted.

When members have an incident response plan and it is followed by staff, the amount of time it takes for an incident and important information to be communicated to appropriate individuals and MCIT is lessened.



### INCIDENT RESPONSE PLAN

An auto incident response plan ensures that pertinent information is gathered and reported quickly, that evidence is secured and other safety issues are addressed once an auto incident occurs. Components of an automobile incident response plan include:

- › Responsibilities and duties of the driver (*see previous section and Chapter 4 for more details*).
- › Internal reporting procedures for the driver and his or her supervisor.
- › Procedures for reporting the incident to MCIT (the responsible party, timeliness of notice, steps to submit, etc.).
- › Procedures to safeguard evidence and vehicle(s).

Some of these steps may involve the skills and expertise of outside parties.

Members should gather and submit to MCIT basic and additional supporting information as it becomes available, such as police reports, damage estimates, witness statements, photos, member logs and fact sheets, which can help in a factual investigation. Those responsible for submitting loss information to MCIT can upload this documentation through the online member portal.

### MINNESOTA AUTOMOBILE ACCIDENT REPORTING REQUIREMENT

Every driver in a crash involving \$1,000 or more in property damage, injury or death must complete a Minnesota Motor Vehicle Crash Report and send it to Driver and Vehicle Services within 10 days. Failure to provide this information is a misdemeanor under Minnesota Statutes, Section 169.09, Subdivision 7. Forms are available at the Department of Public Safety website (*DPS.mn.gov*).

#### RESOURCE

- ◆ Specific auto claim questions: Members should contact the MCIT property/casualty claims manager at 1.866.547.6516.

## CONTROL COSTS OF AUTO CLAIMS

The financial cost of repairing a damaged auto and can be significant, and operations can be hindered when one of its vehicles is damaged. To help save money, limit the cost of deductibles and ensure that damaged vehicles get back into service quickly, a member can take a few easy steps.

### REPORT ALL AUTO CLAIMS QUICKLY

By reporting all vehicle claims to MCIT promptly, regardless of the amount of damage, the claim representative is better able to control the costs of the claim and help expedite the repair process.

### PROVIDE PHOTOS OF VEHICLE WITH REPAIR ESTIMATE

Receiving photos along with the repair estimate helps decrease response time, especially for minor damage that may not need an independent adjuster's inspection. Repair shops are usually willing to provide photos to a member with the estimate when asked. Shop photos also tend to be more thorough than other photos.

Receiving photos along with the repair estimate helps decrease response time, especially for minor damage that may not need an independent adjuster's inspection. Repair shops are usually happy to give a photo sheet to a member with the estimate when asked.

### THINK AHEAD ABOUT SCHEDULING REPAIRS

Depending on the extent and location of damage, the MCIT claim representative may hire an independent adjuster in advance so that the adjuster can plan to inspect the vehicle soon after it reaches the body shop. This ensures an

efficient process, reducing delays for the member.

The independent adjuster and body shop inspect the vehicle together and create an estimate that is more cost-effective and accurate. This greatly reduces the likelihood that additional damage is discovered later, and it ensures that the vehicle is repaired and returned to the member as quickly as possible.

### USE ALTERNATIVE AFTERMARKET PARTS

Aftermarket parts are replacement parts that were not manufactured by the vehicle's maker. These parts are often 10 percent to 20 percent less expensive than new original equipment manufacturer (OEM) parts. Certified Automotive Parts Association (CAPA) certifies that aftermarket parts fit, perform, last and are as safe as the OEM parts they replace.

As an example, a county submitted a claim for the replacement of a windshield. The cost to replace that windshield with new OEM glass was more than \$700. However, the quote to replace that windshield with aftermarket glass was only \$400. The county had a \$500 comprehensive deductible, so utilizing the aftermarket glass reduced the total cost of the claim by \$300 and saved the member \$100.

Additionally, it is often less expensive to use a dedicated glass repair service to replace glass.

When MCIT thinks it may be appropriate to use aftermarket parts, MCIT



asks for the member's authorization. Per Minnesota statute, MCIT must have the member's permission to utilize aftermarket parts.

More information about aftermarket parts is available at [CAPACertified.org](http://CAPACertified.org).

### CONSIDER SEVERITY WHEN MOVING A DAMAGED VEHICLE

If a damaged vehicle is taken to a repair facility or private tow yard immediately after an incident and the vehicle is later determined to be a total loss, the repair facility or tow yard normally charges a daily storage fee. That storage rate could be upwards of \$25-\$50 per day. Those dollars add up quickly.

If the vehicle has sustained significant damage, and the member believes it may be a total loss and has a facility where the vehicle may be stored for a short period at no cost, it may be worthwhile to have the vehicle towed to that facility rather than to a repair shop or tow yard.

If it is determined later that the vehicle is repairable, it can be towed to a repair shop at that time, and the costs of towing the vehicle would be covered by Minnesota Counties Intergovernmental Trust.

## MCIT CLAIMS TEAM AND PROCESS

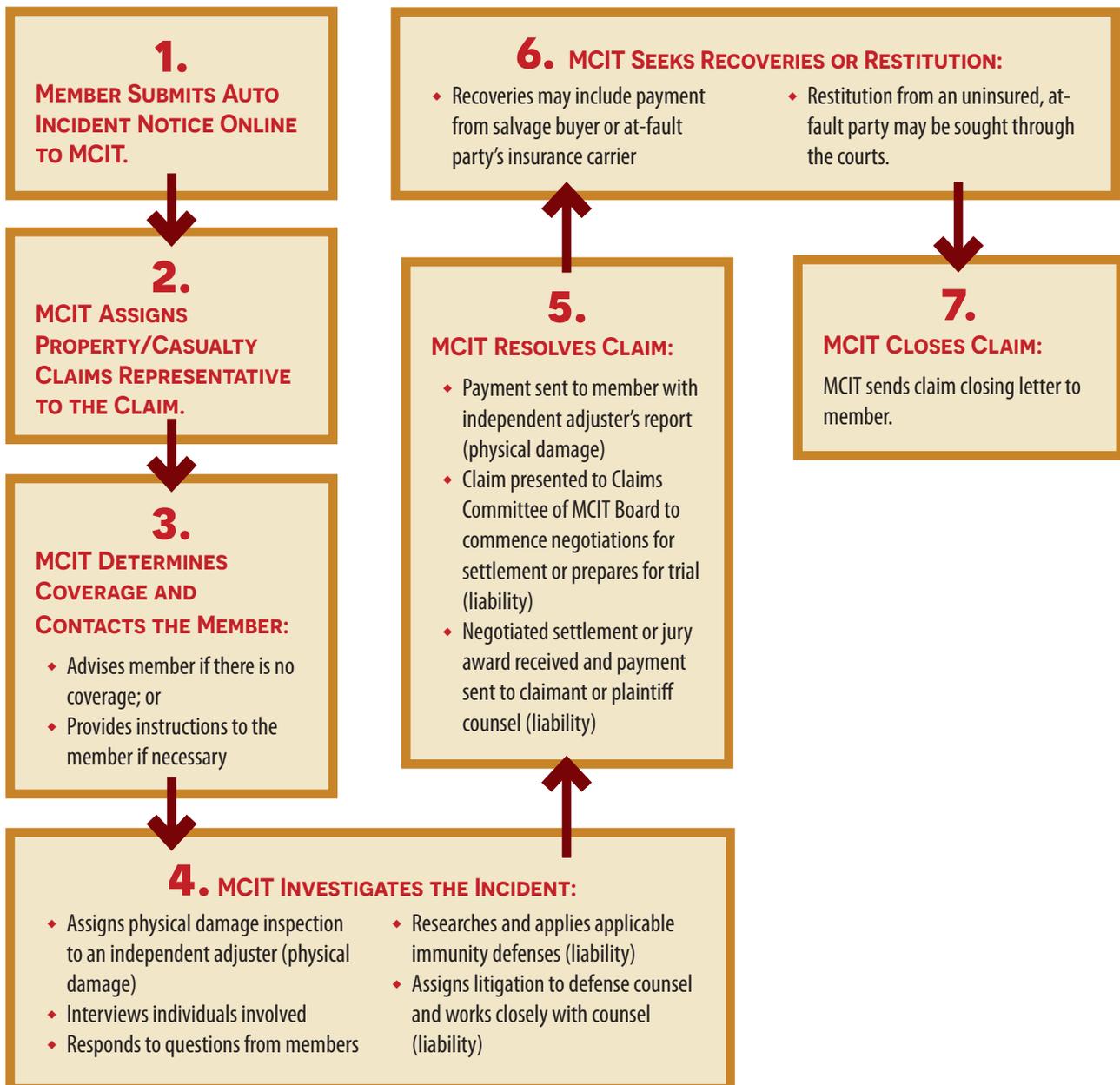
The MCIT claims team is comprised of individuals with extensive claims handling experience for public entities in Minnesota. They are skilled professionals who help members manage every part of the process from initial investigation to final resolution.

As needed, the MCIT claims staff also works with outside attorneys who are experienced in handling cases for public entities.

The MCIT Auto Claim Process diagram shows the MCIT claim handling steps once MCIT receives an auto claim.

Members' assistance throughout the claim process can help MCIT resolve claims more quickly, accurately and fairly. This includes providing MCIT claims staff with thorough and detailed information as quickly as possible.

### MCIT AUTO CLAIM PROCESS



## DUTIES AFTER A LOSS CHECKUP

ITEM	YES	NO	ACTION ITEM
<p>After a motor vehicle incident involving a covered auto, does the organization:</p> <ul style="list-style-type: none"> <li>• Promptly notify MCIT about the incident?</li> <li>• Protect the vehicle from further damage?</li> <li>• Allow an MCIT-assigned independent adjuster to inspect the vehicle if necessary?</li> </ul>			
Does the organization notify law enforcement if a covered auto is stolen?			
Are all vehicle incidents reported to law enforcement?			
Does the organization avoid assuming any obligation, making any payment or incurring any expense without MCIT consent, unless at its own cost, after a vehicle incident?			
After a vehicle incident, does the member cooperate with and assist MCIT and provide all information, documentation and evidence as required?			
After a vehicle incident, does the driver follow required steps for sharing and gathering information at the scene?			
Does the organization collect information and evidence related to vehicle incidents as soon as possible after the incident?			
Does the organization have and follow a vehicle incident response plan?			
Are appropriate staff trained about the vehicle incident response plan?			
For all crashes/collisions involving \$1,000 or more in property damage or injury or death, is a Minnesota Motor Vehicle Crash Report completed and sent to Driver and Vehicle Services within 10 days?			
Are all auto claims reported to MCIT in a timely manner?			
Are quality photos of auto damage along with a reasonable itemized repair estimate submitted to MCIT?			
When a vehicle is drivable, are auto repairs scheduled with a shop and is MCIT notified a few days ahead?			
Does the organization approve the use of aftermarket parts in auto repairs?			
Are damaged vehicles that are likely a total loss towed to the organization's facility rather than an auto shop or tow yard?			