

The Great Mistake and The Great Myth

Do Not Speak to the Insurance Company without your attorney!

"The Great Mistake" is speaking to the insurance company representative without your attorney present. I know, I know. You tell me, I have to speak with them because, "I've got to get my truck fixed so I can go to work." Or you say you have to speak with them because, "My wife's laid-up in the hospital, and I can't pay those medical bills." Wrong!

"The Great Mistake" is made over and over today because of "The Great Myth", which is the belief that the only avenue to quickly solve transportation, employment, and medical problems is to immediately contact the insurance company for the at-fault driver and demand action, money, or both. Wrong again!

An insurance company is not in business to pay out money! An insurance company is in business to make money! It takes in premiums and pays out claims. If it pays out less in claims, it makes a greater profit for its shareholders.

The insurance company reduces its legal responsibility to pay out claims by looking for "justifiable reasons" to deny your claim or to reduce its fair value through its "investigation." Guess where they get information to deny your claim.

From you! They get it from your statement to their "insurance adjuster." "Bearing your soul", or should I say, "venting your spleen" to the insurance company rarely does any good except to provide them with possible defenses to your claim, and tactics to use against you when trying to settle it.

The most common defense used by insurance companies to completely bar your claim for personal injury and property damage in North Carolina is "contributory negligence." This defense applies when any evidence is uncovered by the "insurance adjuster" which would lead a reasonable person to believe that you contributed in any way to the cause of the accident.

The most common defenses to paying the fair value of your claim are "insufficient force" and "proximate cause." The insurance company figures that if there is not a lot of visible property damage to your car, then there is "insufficient force" projected into the passenger area of the vehicle to cause you any injuries. They use this argument against you in settlement discussions and in court whenever there is minimal property damage and you claim injuries.

Whenever the insurance company learns that you were in a previous accident, and complained of injuries at that time which resolved, that your current claim of similar injuries is not "proximately caused" by or legally related to this accident. At best the insurance company argues, the at-fault driver merely "contributed to" or "aggravated" the pre-existing injuries you already had, but are now claiming to be related to this accident.

The bottom line is that your statement to the insurance company adjuster is binding on you and tape recorded for future purposes! This is true even though you were not given any "Miranda" warnings before making it, such as "anything you say can and will be used against you in a court of law (or in the claims process), or that you have a right to an attorney." By giving any statement you may inadvertently compromise your financial rights. You are only told that before they can pay you any money for your car or your medical bills they must complete their "investigation."

Then they ask you, "May we record your statement?" You agree. Then you are screwed. What should you do? Get your personal injury attorney first, before speaking with the insurance company!