

CLAIMS WALK THROUGH

Follow this plan of action in respect of own damage claims

This is an outline on how HCV claims are processed. HCV believes that if you understand the process you will be able to work with our systems and offer your client the best claims experience possible. HCV is mandated by Lombard Insurance Company Limited to process and administer claims.

THE CLAIMS PROCESS

Note that this is a general indication and may differ from claim to claim.



Truck is involved in an event.



Car Towing Services or one of HCV's panel towing companies takes the truck to the policyholder's preferred panelbeater. Contact Car Towing Services on 0861 869 464.



If in doubt tow the rig to the nearest Car Towing yard for safety.



Take photographs of the damaged areas of the vehicle and send to HCV immediately.



Send all claim documentation to HCV at your earliest convenience.



We only need one quote from the policyholder's preferred panelbeater.



Nobody can interfere with the policyholder's choice of panelbeater. It is their right.

THE DELAYS

HCV sees challenges to claims again and again. We are committed to overcoming them.



Claim team receives the panelbeater's quote on cosmetic and structural damage ONLY and refers to C&R (Check & Report) on things like the engine. You will agree this quote is incomplete.



ALL SYSTEMS GO



ALL panelbeaters are automatically authorised to drop the sump and check the bearings on the engine. “Dropping the sump” is not equal to stripping the engine. That can only be done with prior authorisation.

Once we have all documentation, including the quotation, it's all systems go for 48-hour authorisation.

Once the quote is complete with all C&Rs costed, the assessor sends his recommended summary of the claim. Remember we are trying to authorise the repairs 48-hours after the quote is completed. Time and cooperation between all of us is vital to achieve this.

We take this summary and send the revised/recommended quote to our audit team that takes the following factors into account:

1. The Agreed Value (AV) of the vehicle and the percentage the quote represents of the AV
2. Any quote higher than 60% of the AV will be considered as a total loss
3. You might say 60% is low but panelbeaters ALWAYS come back with EXTRAS so if we approve quotes near the 60% mark we have to be careful that we don't end up paying near 75% of the value of the vehicle
4. We review all the mark-ups on spares. Most panelbeaters are getting excellent parts discounts
5. HCV allows:
 - +25% mark-up on new spares on NETT prices, i.e. after discounts
 - +10% on new cabs
 - +50% on alternate spares and second hand spares
 - +Any other variation must be by mutual negotiation



HCV will never use alternate spares where unwarranted. On the same point, a policyholder cannot demand we use new spares when, for example, the vehicle is 20-years old and the availability and quality of the alternate spares is not in dispute.



We adjust the quotes if we believe the mark-ups are incorrect. Frequently the mark-up is 33%. The largest panelbeater in the country still tries to charge 33% mark-up. This has never been motivated by them and is therefore not considered appropriate.



HCV reviews all quotes for items that are frequently repaired using alternate parts. A panelbeater can voice his concern and we will listen.



HCV is looking for solutions not confrontation.



After the audit is complete, the adjusted authorisation figure, before VAT, is dispatched to the relevant panelbeater.



Panelbeater completes the repairs.

AFTER THE REPAIRS

After the panelbeater has completed the repairs, HCV has the following procedures.

STEP 1

HCV does not pay the panelbeater until the policyholder has signed off the repair work. This ensures that we have control over comebacks.

STEP 2

HCV collects all the material salvage items. We do this to encourage panelbeaters to repair as many cosmetic components as possible, while making as many claim cost savings. This allows us to keep premiums low.

STEP 3

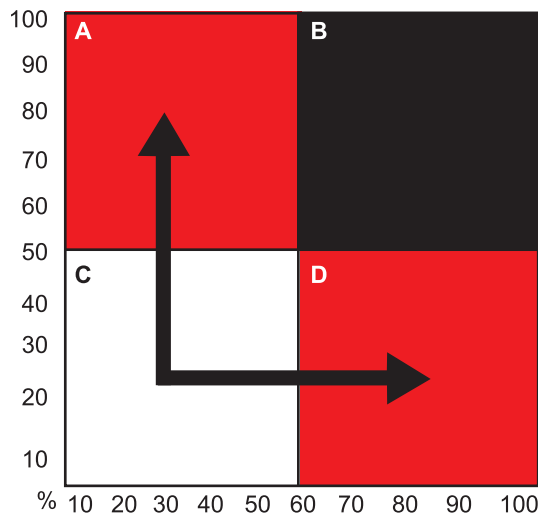
HCV often calls the panelbeater to provide us with proof of Original Equipment Manufacturer (OEM) invoices for the same reason. We understand that this causes problems but it is one of our single most important steps to contain costs to the benefit of the policyholder.

WRITE-OFF VEHICLE

HCV underwrites and issues policies on the Agreed Value basis. This is a much greater benefit compared to the conventional practice of market value. For this reason a vehicle is either technically or financially economical to repair or not. See below,

% OF AGREED VALUE

This is the percentage that a quote is of the Agreed Value. In other words if a quote is R40,000 and the item is on the schedule at R70,000, the percentage would be 57% on the chart.



% OF TECHNICAL DAMAGE

This is the percentage that the vehicle damage is as a percentage of its components. For example, a vehicle that has damaged the bumper and lights may be 5% of damage. A vehicle with engine damage in addition to cab damage may be 60% plus.

Any vehicle can be plotted against the two axes. We hope this helps you understand how HCV decides whether a vehicle is a write-off or not. Any vehicle in the C block would be automatically a repair. The B block would be almost certainly a write-off. A or D would need resolution and cooperation between the policyholder and HCV.

CONTACTING CLAIMS TEAM

To get the fastest service from claims, put it in writing. This gives the team the time to refer to relevant documentation and get back to you armed with everything they need to answer your queries.

Email claims@hcv.co.za
Third party claims tpclaims@hcv.co.za

COMPLAINTS AND COMPLIANCE

Email compliance@hcv.co.za



CLAIMS DOCUMENTATION

HCV now processes 98% of own damage claims within 48 hours, once all the relevant documentation has been received. This means that clients get their trucks back on the road sooner than ever. Less downtime means more earnings. Make sure you get your clients' documents to HCV as soon as possible.

The following documents are required for all claims,

- +Fully completed claim form
- +Photographs of the damaged areas of the vehicle
- +Police case number
- +Repair quotation
- +Driver's licence, one legible and clear copy
- +Professional Drivers Permit (PrDP), one legible and clear copy
- +Certificate of Fitness (CoF) and Operators Card, one copy
- +Driver's accident statement
- +Fleet management copy, for example the movement report (if applicable)

FAQs

Q: Why if the vehicle is a “write-off”, can I not buy back the salvage?

A: What use is the vehicle to you if it’s a “write-off”? You are being paid out the Agreed Value benefit and we wish to take control of the material salvage items. If you wish to repair the vehicle notwithstanding it is a “write-off”, you will need to re-submit an appropriate quotation and negotiate an amicable settlement from us.

Q: Why must we use Car Towing Services (CTS)?

A: HCV wishes there were more professional towing companies. Unfortunately many other suppliers have been given the opportunity to be as good, or better than CTS, but choose to not measure up to their standards. The offer is still there. If a towing provider is prepared to comply with our standards we can review their status. It is unhealthy that we only have one national towing contractor at the required level.

Q: Why can’t the assessors authorise repairs?

A: HCV’s very professional assessors are consultants and therefore don’t control the payments. HCV retain the final authorisation for our account.

Q: What should the approval time be?

A: HCV is committed to authorising claims in 48-hours after the quote is completed.

Q: How do I get a claim processed really quickly?

A: Cooperate all the way with the above systems. Also if you have a claims query, rather send an email to claims@hcv.co.za.

Q: What is the best way to communicate with claims?

A: To get the fastest service from claims put it in writing. This gives the team the time to refer to relevant documentation and get back to you armed with everything they need to answer your queries. Send an email to claims@hcv.co.za.

Q: Why do we not have a panel of panelbeaters?

A: Unfortunately such a panel allows those who qualify to make HCV endorse and guarantee their work, which we cannot do. HCV believes the general cooperation of panelbeaters precludes us from creating a panel.

Q: Why can’t brokers appoint assessors?

A: Commercial vehicles are a specialist industry and we need professional systems to manage the process. Our claims department is centralised and in order to provide swift service, HCV has to maintain control.