

## FREQUENTLY ASKED QUESTIONS REGARDING REPAIRS TO YOUR VEHICLE

The Connecticut Insurance Department (the “Department”) understands that physical damage to your automobile can be a major inconvenience that causes financial difficulties for many Connecticut residents. To better assist you in the process of having your vehicle repaired, we have prepared some frequently asked questions to which the Department’s Consumer Affairs Division routinely responds. If you have any questions, please do not hesitate to contact the Consumer Affairs Division at (860) 297-3900 option 2:2; or toll free number (800) 203-3447 ext. 3620; or [ctinsdept.consumeraffairs@ct.gov](mailto:ctinsdept.consumeraffairs@ct.gov)

**1) Where can I take my car to get it repaired?**

Anywhere. There are no restrictions on what shop you can select to have your repairs done. It can be a dealer or a specialty repair shop where you are comfortable. It does not matter if the car was towed to a specific shop—you don’t have to get it fixed there.

**2) The Insurance Company provided a list of repair shops to me. Is that legal?**

Yes, but you are under no obligation to take your car to one of the shops on that list.

**3) Can my repair shop charge more than the insurance company will pay?**

Yes. In most cases, the repair shop and your insurer will come to an agreed upon price to repair your vehicle. If they are unable to do so, you can request that your insurer reevaluate the repair shop’s estimate. **Please note, however, that if they cannot agree upon a price, you may be required to pay the difference between the repair shop’s labor rate and the amount that your insurer is willing to pay.** The Insurance Department does not have authority to determine what labor rate should be charged.

**4) How can I avoid paying the difference if the repair shop charges more than what the insurance company will pay?**

Make sure no repairs start until you have written confirmation that the insurance company has agreed to a price with the repair shop. If they cannot agree on a price to repair your vehicle, you have the option of (i) paying out-of-pocket for the work; or (ii) filing a complaint with the Insurance Department’s Consumer Affairs Division. Please refer to question 5) below for information regarding the Department’s arbitration process.

**5) If I disagree with the amount that the insurance company will pay, is there a way to resolve the disagreement short of going to court?**

Yes. If you file a complaint with the Insurance Department’s Consumer Affairs Division and we are unable to resolve the dispute, we will make available to you an arbitration program under which you can request to settle certain disputes without

going to court. The kinds of disputes that qualify for arbitration are auto physical damage claims in which insurance coverage and liability for the damage are not in dispute. Generally, the dispute is only about the **amount** of damages. Please contact the Department's Consumer Affairs Division for more information regarding the arbitration program. Please refer to the beginning of this document for the phone number and email address of the Department's Consumer Affairs Division.

**6) What if another driver is at fault for causing damage to my car?**

If the driver of another vehicle is at-fault and it is that driver's liability insurer that is refusing to pay the full requested labor rate, you may be eligible for the arbitration program described in Question 5) above or you can file a lawsuit against the other driver for the difference. Please note, however, that claims will only be considered for arbitration after they have been filed with the Department's Consumer Affairs Division and attempts by Division staff to resolve the matter have been unsuccessful. Please contact the Insurance Department's Consumer Affairs Division for more information about how to file a complaint and/or seek assistance through the Department's arbitration program.

**7) My vehicle is "totaled". What does that mean?**

The **cost** to repair your vehicle is actually more than its **value** as determined by the insurance company. For example, if your vehicle costs \$1000 to repair and its value is \$500, then the insurer will only pay you the **value** of \$500 plus applicable Connecticut sales tax and the insurer will keep the vehicle. Please see Question 9) below for how much you would receive if you decide you want to keep the car in situations where the cost to repair the vehicle is more than its value.

**8) How can I be sure of the value of my vehicle?**

Be sure to request the insurance company send you the written paperwork that tells you how they arrived at the value of your vehicle. You should know that in calculating the value of a totaled vehicle, the insurer is required to use at least the average of the retail values according to the NADA Used Car Guide ([www.nadaguides.com](http://www.nadaguides.com)) and one other automobile industry source approved by the Insurance Commissioner. A list of approved industry sources for car values, as well as the applicable insurance law, can be found at the end of these "Frequently Asked Questions".

**9) I don't care if my vehicle is totaled—can I still have it repaired and keep it?**

Yes, but you need to be aware of a couple of things. First, the insurance company will only pay you the **value** of your car. The following example assumes you are keeping the vehicle—the **value** is determined as follows: value at the time of loss using at least the average of the retail values according to the NADA Used Car Guide and one other automobile industry source approved by the Insurance Commissioner, **less the "salvage value"** determined by the insurance company. The insurer must tell you where they will be able to take the vehicle to be paid the **"salvage value"**. You

will have to pay for all necessary repair work out-of-pocket if you choose to keep the vehicle.

Also, the title to the vehicle has to be stamped “salvage” and the Department of Motor Vehicles will have to re-inspect the car before it is allowed back on the road. You should contact the Department of Motor Vehicles for further information regarding title re-issuance for “salvaged” vehicles.

**10) I have a repair shop that can do the repairs for half of what the insurance company said it would cost. In that case, would my vehicle still be considered “totaled”?**

Yes. If the insurance company’s repair estimate equals or exceeds the value of the vehicle, it is going to be considered “totaled” **regardless** of whether your shop will give you a discount.

**11) If my vehicle is not driveable or, if driveable, but must go into the shop for repairs because of property damage resulting from an accident, am I entitled to a rental vehicle or other compensation?**

If you incur property damage to your vehicle as a result of someone else being legally at fault, you are entitled to compensation for loss of use of your property. In such case, you are entitled to a comparable rental vehicle or reasonable compensation, regardless of whether you have incurred a rental expense, for a reasonable period of time necessary to settle your claim or repair your vehicle.

If you have purchased rental reimbursement coverage, you may have rental coverage under your own policy. You should check with your insurance company or insurance agent regarding rental coverage.

**12) Who will pay any storage fees from the time of the accident until repairs can be started on my vehicle?**

The insurance company will but only up to a specified time. Usually they will inform you of a date in writing, in advance—after that date, you will have to either move the vehicle or pay the storage fees out-of-pocket.

**13) The insurance company paying for the cost of repairs has told me they will use after-market parts for the repairs. What are they and do I have a choice as to what kind of parts are used for the repair?**

“OEM” stands for Original Equipment Manufacturer parts. They are replacement parts that come directly from the vehicle manufacturer’s factories. “Non-OEM” parts are often referred to as **after-market parts** that are replacement parts that do not come from the vehicle manufacturer. In addition, “recycled” parts—sometimes referred to as salvage, reconditioned or used parts—are frequently obtained from auto recyclers or junkyards and can be *either* OEM or non-OEM parts. “Recycled” or “Non-OEM” parts are permitted to be used for the repair work, but by law, you must be notified of that fact in the repair estimate.

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For your reference, we have included the Connecticut General Statutes that address the calculation of a “Totalled” Motor Vehicle and the use of “Non-OEM” parts for repair work.

**Connecticut General Statute Section 38a-353**

**Sec. 38a-353. Calculation of settlement amount on totalled motor vehicle.** Whenever any damaged motor vehicle covered under an automobile insurance policy has been declared to be a constructive total loss by the insurer, the insurer shall, in calculating the value of such vehicle for purposes of determining the settlement amount to be paid to the claimant, use at least the average of the retail values given such vehicle by (1) the National Automobile Dealers Association used car guide and (2) one other automobile industry source which has been approved for such use by the Insurance Commissioner. For purposes of this section, “constructive total loss” means the cost to repair or salvage damaged property, or the cost to both repair and salvage such property, equals or exceeds the total value of the property at the time of loss.

**Other Automobile Industry Sources Approved by the Insurance Commissioner:**

- 1) Automobile Red Book—Prism Business Media, Inc.  
9800 Metcalf Avenue, Overland Park, KS 66282-2901 (800) 654-6776  
[www.pricedigest.com](http://www.pricedigest.com)
  
- 2) Mitchell International, Inc.  
9889 Willow Creek Road, San Diego, CA 92131 (800) 854-7030  
[www.mitchell.com](http://www.mitchell.com)
  
- 3) CCC Information Services, Inc.  
222 Merchandise Mart, Suite 444, Chicago, IL 60654-1005 (800) 621-8070  
[www.cccis.com](http://www.cccis.com)
  
- 4) Audatex North America, Inc. (formerly ADP)  
Bishop Ranch 1, 6111 Bollinger Canyon Road, Suite 200, San Ramon, CA 94583  
(925) 866-1100  
[www.audatex.us/](http://www.audatex.us/)
  
- 5) AutoBid Services, LLC,  
8900 Indian Creek Parkway, Suite 450 Shawnee Mission, KS 66210  
(800) 875-2217  
[www.autobid.com](http://www.autobid.com)

- 6) Vehicle Valuation Service  
1 South 450 Summit Ave., Suite 380  
Oakbrook Terrace, IL 60181  
(888) 475-9975  
[www.v-v-s.com](http://www.v-v-s.com)

### **Connecticut General Statute Section 38a-355**

**Sec. 38a-355. (Formerly Sec. 38-175z). Notice required concerning parts used to repair damaged private passenger motor vehicles.** (a) (1) Whenever repairs are necessary to the visible exterior sheet metal or plastic parts of a damaged private passenger motor vehicle, as defined in section 38a-363, any insurer or repairer, as defined in section 14-51, preparing a written estimate of the cost of such repairs shall clearly identify in such estimate each major replacement part to be used which is not manufactured by the original manufacturer of the damaged part in such motor vehicle. For the purposes of this section, "parts" means motor vehicle replacement parts of sheet metal or plastic, which constitute the visible exterior of the vehicle, including inner and outer panels, and which are generally repaired or replaced as the result of a collision.

(2) Attached to any such estimate shall be the following notice, printed in no less than ten-point type:

#### NOTICE

This repair estimate is based in part on the use of replacement parts which are not made by the original manufacturer of the damaged parts in your motor vehicle.

(3) The insurer or repairer, as the case may be, shall give a copy of such estimate and notice to the person requesting such estimate.

(b) Any violation of the provisions of this section by an insurer shall be deemed an unfair or deceptive insurance practice under section 38a-816. Any violation of the provisions of this section by a repairer shall be deemed an unfair or deceptive trade practice under subsection (a) of section 42-110b.