



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

Consumer Affairs Division
Arbitration Unit
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INFORMATIONAL PAMPHLET REGARDING ARBITRATION PROCEDURES FOR CERTAIN AUTO CLAIMS

This Informational Pamphlet describes arbitration procedures for the settlement of disputes between claimants and insurance companies concerning automobile physical damage and automobile property damage liability claims in which liability and coverage are not in dispute.

Arbitration affords the opportunity for a prompt and efficient resolution of a claim.

Please read this Pamphlet carefully. We believe it will assist you in understanding the arbitration process and guide you in presenting your claim.

IMPORTANT NOTE REGARDING COMPLAINT PROCESS

Consumers having complaints with the way that an insurance company has handled their auto damage claim should file a complaint with the Department. Claims will only be considered for arbitration after they have been filed with the Department's Consumer Affairs Division Consumer ([Complaint form in PDF](#) 152 kb) or ([Complaint form in RTF](#) 198 kb fill-in format) and attempts by Division staff to resolve the matter have been unsuccessful.

As indicated in [Bulletin CL-5](#) (PDF 134 kb), the Insurance Department has entered into a contract with the American Arbitration Association to provide independent arbitrators for the settlement of disputes between claimants and insurance companies concerning auto physical damage and auto property damage liability claims in which liability and coverage are not in dispute.

I. INTRODUCTION

A. WHAT IS ARBITRATION?

Arbitration is a process involving a hearing before an impartial arbitrator on disputed automobile damages between a consumer claimant and an insurance company when liability and coverage are not in dispute. Arbitration proceedings are intended to be binding on all parties to the proceedings.

B. WHO IS ELIGIBLE FOR ARBITRATION?

Two types of consumers are eligible to participate: (1) Connecticut Insurance policyholders may arbitrate first party property damage claims under the collision or comprehensive portion of their auto policy when coverage and liability are not in dispute. (2) Connecticut Owners or lessees of automobiles who have made an auto damage liability claim against an at-fault driver's insurance company when coverage and liability are not in dispute.

C. WHAT DAMAGES MAY BE ARBITRATED?

The following are examples of disputes which may be arbitrated: Disputes involving damages to the claimant's automobile and repair costs for such damage; the value of the automobile; loss of use damages; rental bills for a replacement vehicle while your vehicle is being repaired; and storage charges after the accident.

D. WHO ARE THE ARBITRATORS?

The arbitrators are members of the American Arbitration Association who have experience in hearing and settling disputes, and who are familiar with the rules of procedure.

E. IS AN ATTORNEY REQUIRED?

No, however, the consumer claimant and insurer each have the right to legal representation. Arbitration hearings are designed so that a consumer claimant may present his/her own case to the arbitrator if he/she wishes to do so. However, a claimant should be thoroughly prepared.

F. WHAT ARE THE COSTS?

Each party must pay a \$20.00 non-refundable fee by check, payable to the "Treasurer, State of Connecticut". The cost of witnesses, if any, is the responsibility of the party who requests their testimony.

G. IS A CLAIMANT REQUIRED TO ATTEND THE ARBITRATION HEARING?

Yes, if an In-person Hearing is selected. No, if a Documentary Hearing is selected. Only written testimony submitted by the claimant and insurer will be reviewed by the arbitrator at a Documentary Hearing. When completing the Request for Arbitration Form, a claimant must choose between an In-person or Documentary Hearing.

II. HOW TO FILE

A. FORMS REQUIRED

A Request for Arbitration Form must be filled out completely, signed and returned via the U.S. Mail to the Arbitration Unit, Insurance Department, State of Connecticut, P.O. Box 816, Hartford CT 06142-0816 accompanied by a non-refundable check in the amount of \$20.00, payable to the "Treasurer, State of Connecticut", and all evidence which you wish the arbitrator to consider.

B. INFORMATION NEEDED

The arbitrator requires the originals or copies of all evidence which supports your disputed damages. Estimates and appraisals must be itemized. The arbitrator may request photographs which identify damaged areas on the vehicle, if available; itemized bills/invoices which are pertinent to the claim; and cancelled checks and paid receipts, if any. The Insurance Department will provide a copy of its investigative file to the arbitrator.

C. STATEMENT OF FACTS

A claimant must submit a specific statement outlining the dispute. It is available for completion in the Request for Arbitration Form. It is most important to include all dates, information and evidence, pertinent to the dispute with your Request for Arbitration.

D. WILL THE INSURANCE COMPANY TESTIFY?

A representative of the insurance company that is the subject of the dispute will be required to appear before the arbitrator when an "In-person hearing" has been selected, and testify, if necessary. When a Documentary Hearing is requested, the insurance company must also respond in writing.

E. MAY WITNESSES ATTEND THE HEARING?

Yes. Witnesses may appear for either you or the insurance company. Costs for witnesses must be paid by the party who requests them.

III. ARBITRATION PROCEDURE

A. PREPARATION

Arbitration procedures are designed so that a claimant may represent himself/herself without prejudice to his/her case, even when the respondent insurance company is represented by an attorney. Simply appearing however, will not prove a claim. If an In-person Hearing has been selected, you must bring to the hearing the originals or clear copies of appraisals, estimates, invoices, cancelled checks, sales receipts, letters, notes, explanation sheets, pictures and any other evidence that relates to the disputed damages. If you are bringing witnesses, notify them in advance of the hearing date, time and location.

You will need to prepare a statement of your case. It should be clear and concise. Include dates when pertinent to the dispute. This will allow for the orderly presentation of evidence. If a Documentary Hearing has been selected, the arbitrator will base the decision only on the written documentation submitted by you and the insurance company.

B. WHAT OCCURS ON THE DAY OF AN IN-PERSON HEARING?

Disputed damages will be heard by the arbitrator assigned to the case. The arbitrator will first hear testimony from you and any witness you may have. Then the insurance company's testimony will be heard. You will be given time to respond. Remember, it is your responsibility to prove your claim for disputed damages.

C. IF THE COMPANY OR CLAIMANT IS UNHAPPY WITH THE ARBITRATOR'S DECISION, MAY THE INSURANCE DEPARTMENT RECONSIDER IT?

No. By statute, the Insurance Department is expressly forbidden from amending, reversing, rescinding or revoking any decision of the arbitrator.

D. WHEN WILL THE ARBITRATOR'S DECISION BE ISSUED?

Within fifteen (15) days following the hearing, the arbitrator will issue a written decision to the parties involved. Decisions favoring the claimant, are required to be paid by the insurance company within ten (10) business days following receipt of the decision.

IV. APPEALS

A. IS THERE A RIGHT TO APPEAL?

Under Connecticut General Statutes Sections §52-418 and §52-419, appeals to the Superior Court of arbitration decisions may only be made under very limited and extraordinary circumstances. Arbitration awards are intended to be binding and final.

An arbitration award may be vacated by a court only on finding that:

- (1). the award has been procured by corruption, fraud or undue means;
- (2). there has been evident partiality or corruption on the part of any arbitrator;
- (3). the arbitrator has been guilty of misconduct in refusing to postpone the hearing upon sufficient cause shown or in refusing to hear evidence pertinent and material to the controversy or any other action by which the rights of any party have been prejudiced; or
- (4). the arbitrator has exceeded his or her powers or so imperfectly executed them that a mutual, final and definite award upon the subject matter submitted was not made.

An arbitration award may be modified or corrected by a court only on finding that:

- (1). there has been an evident material miscalculation of figures or an evident material mistake in the description of any person, thing or property referred to in the award;
- (2). the arbitrator has awarded upon a matter not submitted to him or her unless it is a matter not affecting the merits of the decision upon the matter submitted; or
- (3). the award is imperfect in matter of form not affecting the merits of the controversy.