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Does Filing With My Insurance Carrier Hurt My Premiums if I'm Not at Fault



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Understanding Subrogation: How Not-at-Fault Car Wrecks Can Affect Your Insurance Premiums and Points

Being involved in a car wreck can be a daunting experience, but it can become even more frustrating when you're not at fault for the accident. Thankfully, if you file a claim with your insurance carrier and you're not responsible for the collision, your premiums, and insurance points won't be directly affected. This is made possible through a process called subrogation, where your insurance company seeks reimbursement from the at-fault party's liability carrier, effectively recovering the money they paid out on your claim.

In this article, we'll delve into the concept of subrogation and how it works to safeguard your insurance rates after a not-at-fault car wreck.



The Role of Subrogation in Car Insurance

Subrogation is a legal principle that allows your insurance company to pursue a claim against the party responsible for causing the accident to recover the money they paid to you. This process ensures that the burden of covering your expenses due to someone else's negligence is shifted back to the at-fault party and their insurance carrier, rather than unfairly impacting your insurance rates.

How Subrogation Protects You

1. **No Impact on Premiums:** Filing a claim after a not-at-fault car wreck typically won't cause your insurance premiums to increase. Since you were not responsible for the accident, your insurer doesn't consider you a higher risk, and, therefore, there's no justification for raising your rates.
2. **No Insurance Points:** Insurance points, also known as surcharges, are penalties imposed by insurance companies for policyholders who have been involved in at-fault accidents or received traffic violations. If you are not at fault, you won't incur any insurance points on your driving record, ensuring your insurance remains unaffected in this regard.
3. **Financial Protection:** Subrogation acts as a safety net for policyholders. By pursuing reimbursement from the at-fault party, your insurance company aims to recover the funds they paid to you for repairs, medical bills, and other expenses resulting from the car wreck.

The Subrogation Process

1. **Filing a Claim:** After the car wreck, you will need to report the incident to your insurance carrier promptly. Provide them with all the necessary details, including the contact information of the other party involved and any witnesses, along with photos and a police report if applicable.
2. **Assessment and Repairs:** Your insurer will assess the damage and expenses resulting from the accident. If you have collision coverage, they will likely pay for your vehicle repairs upfront, sparing you from waiting for the liability carrier's response.
3. **Subrogation Proceedings:** Once your insurance company has compensated you for your losses, they will start the subrogation process. They will contact the

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at-fault party's insurance carrier to request reimbursement for the money they paid on your claim.

4. **Recovery and Resolution:** Ideally, the at-fault party's insurance carrier will accept liability, and the subrogation process will proceed smoothly. If there are any disputes or complications, negotiations may occur. However, your insurance company will diligently work to recover the funds they paid out on your behalf.

Conclusion

Experiencing a car wreck, even if you're not at fault, can be stressful. Thankfully, the subrogation process in the insurance industry is designed to protect you from adverse effects on your insurance premiums and points when filing a claim after a not-at-fault accident.

By holding the responsible party's insurance accountable for covering your expenses, subrogation ensures that you can maintain your insurance rates and driving record without unnecessary penalties. Remember to report the accident promptly to your insurance carrier, cooperate throughout the process, and let the subrogation mechanism work to your advantage.