

# When the Insurance Estimate Isn't Enough to Fix Your Car: Is an Appraiser the Answer?

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We recently received an email from a former client who found himself stuck in a very common situation: a repair estimate dispute.

His seven-year-old luxury SUV was damaged in a minor accident. The dealer referred him to a high-end (highline) body shop, which prepared an estimate to restore the vehicle to factory specifications using all brand-new OEM parts. The problem? The insurance company's estimate came in nearly 50% lower.

The client wanted to know whether invoking the Appraisal Clause could force the carrier to pay the shop's higher price.

Although I've helped this client successfully in the past, I had to be honest. In this specific scenario, hiring an appraiser would likely not be the best financial decision.

## **The "Like Kind and Quality" Hurdle**

The biggest surprise for most vehicle owners is the LKQ (Like Kind and Quality) rule. Under most state regulations and insurance policies, if your vehicle is several years old, insurers are generally allowed to pay for used, recycled, or remanufactured parts.

If your repair shop insists on brand-new OEM parts for an older vehicle, but the insurer's estimate is based on high-quality recycled parts, that price gap is not a "mistake." It is a policy limitation.

In these situations, an appraiser often cannot "win" that money back, because the insurance contract explicitly allows the use of LKQ parts.

## **When Is a Repair Dispute Worth the Appraisal Fee?**

The Appraisal Clause can be a powerful tool—but it works best when the dispute involves technical judgment and repair methodology, not simply a preference for new parts.

We see strong success rates and a solid return on investment when disputes involve specialty or custom vehicles, safety and technology procedures (ADAS), structural repair complexity, and subjective line items such as frame set-up time, complex paint blending, and diagnostic research.

### **The “Math” of a Repair Appraisal**

For minor repairs on older vehicles, the numbers often don't work in the consumer's favor. Our flat fee to write a repair estimate starts at \$300, with total fees capped at 25% of the increase in recovery.

If the difference between the shop's estimate and the insurer's estimate is small, fees and potential umpire costs can significantly reduce the client's net gain.

### **Our Final Advice**

If the dispute is simply new parts versus used parts, invoking the Appraisal Clause is unlikely to deliver the return you're hoping for.

However, if the insurer is refusing to pay for required safety procedures or manufacturer-mandated processes, an independent appraisal can provide a substantial return.

**The Bottom Line:** If your insurer's repair estimate feels light, don't hire an appraiser immediately. Have a professional review the line items first to determine whether the dispute is about parts or procedures.