

What to do if you get into a car accident?



Accident 1:
\$42,000



Tips from an experienced motor insurance claims manager



Accident 2:
\$4,000

What to do if you're caught in a car accident?

Description

Worried that you might be the victim of a fraudulent car accident? Here's what you need to do to protect yourself.

Ever been in a car accident that made you realise the dark nature of some drivers – especially those who try to twist the incident to their advantage and claim thousands of dollars from you?

Let's face the truth of motor accidents in Singapore – some are [staged by syndicates for a quick buck](#), while others simply involve opportunistic (or dishonest?) drivers who inflate claims to their benefit – all at your expense.

For experienced car drivers, these tales are a norm, or perhaps you've even encountered a few yourself. But if you're a new car owner, it is only natural to feel anxious when your first motor accident occurs.

Just like [the "buffet syndrome" that plagued the healthcare industry](#) (where consumers do not have to pay out-of-pocket for their hospital bills thanks to insurance), the same is happening in the motor industry; except that the authorities have yet to intervene.

How is this possible?

Thanks to debatable car repairs and opportunistic car drivers, that's how.

Common tactics used

Learn to spot the common tactics these rogue drivers typically use so that you're less likely to become their next unfortunate victim.

Some car drivers take advantage of accidents (no matter how minor) to claim a huge sum of money from the other party. It is easy to recognise such opportunistic drivers: they usually ask you for a private settlement in cash (usually an exorbitant amount), and if you decline, they threaten to file it against your insurer and sue you for damages.

Aside from vehicle repair costs, one thing you should particularly watch out for is when the other party makes *false personal injury claims where personal injuries are grossly exaggerated*. This is also flagged out as [an example of motor insurance fraud in Singapore by the General Insurance Association](#).

Common tactics that such drivers tend to use include

- threats at the scene of accident
- inflating car repair claims (usually at an unauthorised workshop â?? one unaffiliated with any insurer)
- ridiculous claims for â??invisibleâ?• medical conditions that are difficult to prove (such as strains or whiplash)
- claims for â??loss of incomeâ?•
- sending a lawyerâ??s letter to threaten and subdue you into a settlement

My husband and I were recently involved in two accidents recently, and hereâ??s how differently both played out.

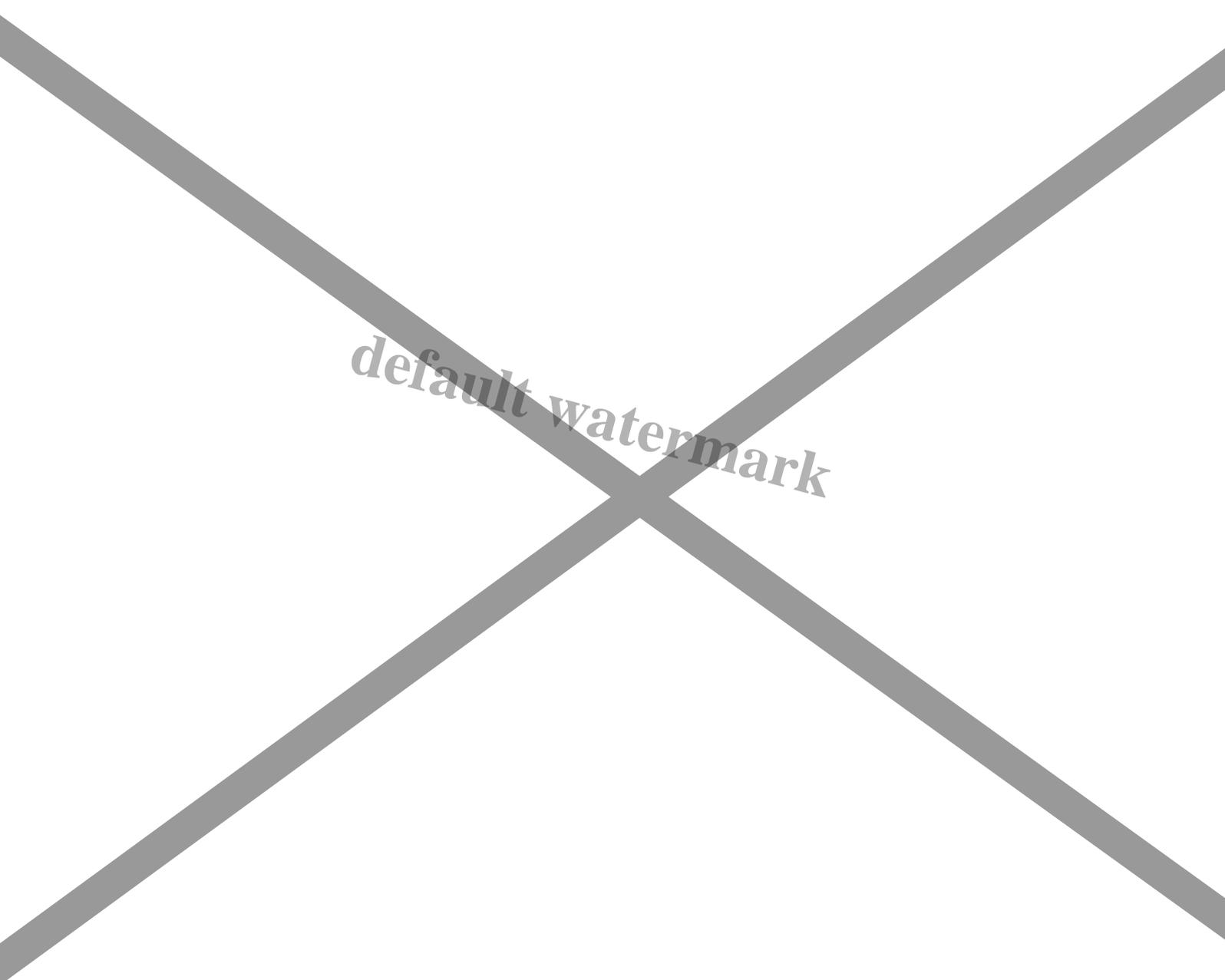
Our experience: Accident 1

My husband was unlucky enough to encounter one such accident recently, where **the other party tried to claim S\$42,000 for nothing more than a bumper kiss**. It made us learn several lessons, and I hope our experience will help prevent others from landing into the same fate.

These were the photos of the car whose bumper he â??kissedâ?• lightly:

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You can barely even see any damage on both cars (back for the black car, front for silver):

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But here's what they're claiming for:

	Driver	Passenger 1	Passenger 2
Neck strain	\$3,000	\$3,000	\$3,000

Back strain	\$3,000	\$3,000	\$3,000
Right thumb contusion	â??	â??	\$2,500
Medical expenses	\$80	\$70	\$80
Medical report fee	\$320	\$320	\$320
Loss of income	To be assessed	To be assessed	To be assessed
Public Trustee fees	\$225	\$225	\$225
Costs	\$3,750	\$3,750	\$3,750
Total Claims	\$10,600	\$10,600	\$13,000

	Car Owner
Cost of repairs	\$4,600
Rental car	\$960
Total Claims	\$6,700

You can be the judge of whether a \$42,000 is warranted for such a minor accident.

How I started suspecting that the other driver had less-than-honest intentions was in how he behaved at the scene of the accident. **He took photos of my husband's NRIC, but refused to give my husband a copy of his own, and did not allow my husband to take photos of his passengers** in the car due to "privacy" reasons.

It was only after we received his lawyer's letter that we understood why he had acted so suspiciously at the scene of the accident "because, with photos and videos, his claims for \$10k and \$13k on his passengers would have been unlikely to go through.

[In a 2017 research study on insurance fraud, it was found that one of the easiest injuries to fake for motor insurance submissions are sprain and strain claims.](#) In our case, the other party tried to claim \$18,000 on such a basis.

What was shocking was that separately, I had initially shortlisted the guy's company in our list of potential interior design firms to work with, but this accident made me see such an ugly side to the person's character that it made me question whether they applied the same operational ethics to their customers engaging them for renovation, and hence we have since blacklisted them permanently.

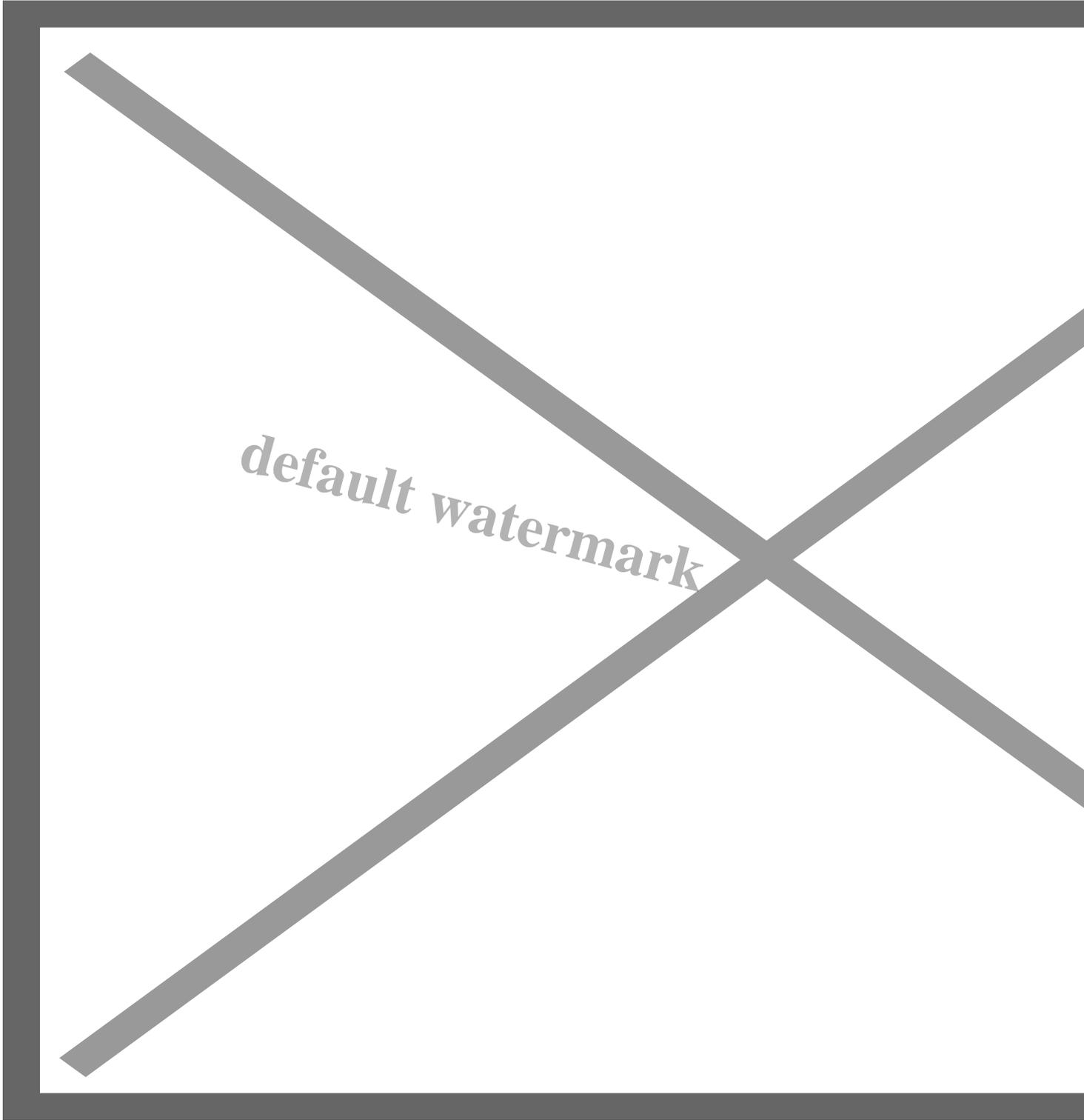
Side note: Another friend of ours was also previously involved in a motor insurance fraud case, where the other party tried to claim several thousands for "whiplash" (another medical condition that is difficult to prove) and "loss of income". Can you see a similar pattern emerging?

Even if you have a dashcam view of the accident, how are you supposed to counter and prove that their so-called injuries do not really exist, or have been exaggerated beyond a reasonable doubt?

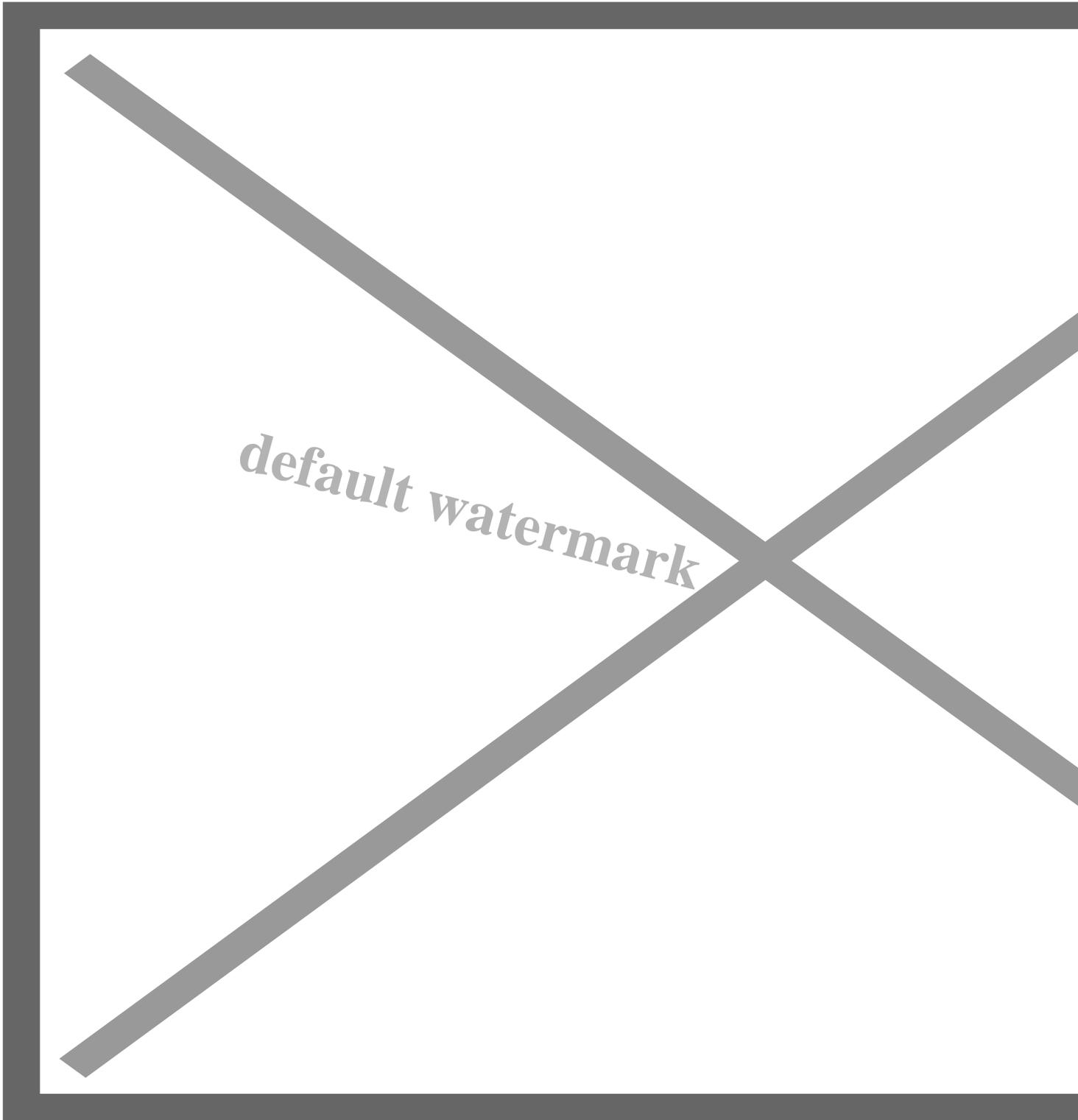
Moreover, in my husband's case, **a repair workshop that was barely more than 1 year in operation was used.** This was a big mistake that we failed to prevent because once the other party goes to an unauthorised car workshop, it is too late.

Our experience: Accident 2

Another accident happened a few months later, where a taxi driver rammed into my husband's car at a carpark. This wasn't just a light "kiss"; there was a serious impact felt. In this case, the damages are clearly visible:



A dent, scratches and blue paint.



A dent and areas where the paint came off

When he got out of the car, the first words out of the taxi driver's mouth was an apology, followed by whether we were going to claim a lot from his insurance. He looked scared, and shared that usually when such accidents happen, rogue drivers tend to make claims amounting to tens of thousands against him and his insurer.

“Are you injured? Please don’t do that to me”, he begged. It made me wonder how many times he had encountered such rogue drivers before to be so worried.

My husband reassured him that he would only claim for the damaged area to the car, and would not claim for anything more such as injury or a whole car makeover.

Our claim?

\$4,000 for the left side of our car which was damaged and had the leftover blue paint that came off his taxi.

Accident 1 vs. Accident 2

\$42,000 for a light kiss where you can barely even see any damages, versus \$4,000 for an accident where the taxi that rammed into us had sent our car veering off track.

What do you think?

How can I protect myself?

Learning from my husband’s mistakes, we realised a few key points in order to prevent anything like Accident 1 from getting the better of us again in the future:

Your best bet is always **the video footage from the dashboard camera**, so make sure you have one set up and working.

If you do end up in an accident, always take as many photos of **both vehicles and all passengers**.

For more tips, you may refer to [this link](#).

You may call me kiasu, but I would personally even do a video recording at the scene with the vehicles, the driver and all passengers involved. These are my other “unorthodox” tips:

- **Do not agree to a private settlement** (unless you’re trying to save your NCD and the loss of your NCD premiums is much higher than the sum being asked for) if the other party is asking for an exorbitant amount. In this case, leave it to the car repair workshops and your insurer to assess.
- **Take note of any other parties who are not involved in the accident**, especially if they’re giving out advice and name cards. They may just be touters out to make some quick cash by referring business to workshops for costly claims.
- **Insist on sending the car(s) to an authorised car repair workshop ONLY**. Make them agree (in writing or on voice recording) that if they choose otherwise, then they agree to a lower payout as well. It’s their choice!
- If you really want to avoid any dispute about their “loss of income” claims, try getting the details of the other party’s workplace as well (and that of their passengers) and pay them a visit to make sure they’re indeed at work. It’ll be ridiculous if you have proof of them at work but they’re claiming for loss of income later, isn’t it?

What are some authorised workshops?

Using Aviva as an example, you can check out [their list of approved car repairers](#), which includes names like ComfortDelgro Engineering Pte Ltd, Tan Chong Motor Sales Pte Ltd and Kah Motor Co. Sdn. Bhd.

Once an unauthorised workshop enters the picture and helps the driver do extensive repairs (many not due to the accident), there's very little you can do to reduce the claim from here.

How do the insurers deal with this issue?

I interviewed Aviva's motor claims manager on how he deals with such claims, especially if he suspects them to be fraudulent given the prevalence of such tactics, and this was what he had to say:

Interview with Albert Chua, Claims Manager of Aviva:

SGBB: How does the insurance industry deal with such claims? How can such crazy inflations be acceptable? Chua: The industry deals with inflated or fraudulent claims by ensuring that all drivers who are involved in an accident is to file an accident report within 24 hours of occurrence. It should be understood that a certain level of inflation is legal for negotiation purposes. But gross inflation can amount to fraud.

SGBB: How does Aviva deal with such inflated claims then?

Chua: **Aviva deals with inflated claims by subjecting all accident claim vehicles to a survey by a professional motor surveyor to ensure the damages claimed are consistent to the accident reported.**

One way we try to help our Aviva Prestige customers is that they can activate our on-site accident service by calling us immediately, and we will send our mobile accident response service officers down within 20 minutes to the accident site to help. With an independent party by an insurer, there will be less incidence of an inflated claim.

SGBB: Have there been any cases where the other party disputes the results? What happens then?

Chua: Yes, there have been scenarios where the claimant rejects the insurer's offer as they want more. They will usually engage their own motor surveyor, as well as a lawyer to litigate the matter, which therefore increases the costs further. There is a legal process to engage a Single-Joint-Expert appointed by a Judge to assess the repair cost and decide on the final settlement amount.

SGBB: I understand unauthorised workshops contribute to the prevalence of such cases too, especially when the driver takes the opportunity to make major changes to the car since he can now claim the bill from someone else on the pretext of 'accident damages'. How can we prevent this?

Chua: Ultimately, it all boils down to public education on how a driver should react to an accident. **We encourage the driver not to go to any unfamiliar workshops, or workshops recommended at the scene of the accident.** The standard of repairs by many motor workshops in Singapore is so good that we cannot tell if a car was involved in an accident after the repair.

However, when there is an opportunity to claim, they want everything new. In some cases, our insured may therefore want to consider private settlement as a full-blown claim will always be more expensive.

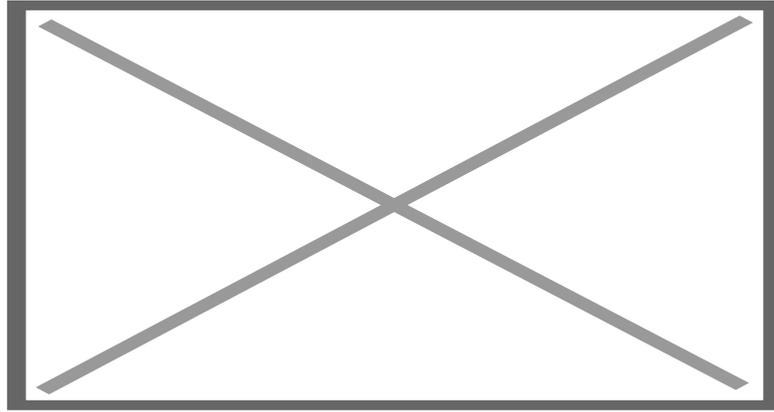
SGBB: What would be your advice for drivers if they get into an accident? Chua: Never get angry upon an accident. Stay calm and record all available evidence in a safe way. If the other party is open to negotiation, try to settle it within the next 2 days.

And no matter what happens, report the accident within 24 hours. You can always update the accident report of any changes later. If in doubt, seek advice from your insurer immediately. *SGBB: Any last words on this issue? What should drivers take note of?*

Chua: Gather evidence of the accident and the damages, the position of the vehicle on the lane markings and details of all parties involved. Never admit liability, but only admit what happened factually. Private settle only when it makes financial sense.

Remember, once the other party decides to engage a workshop who will inflate the claim, your insurer can only help to reduce the inflation.

Stay safe and ethical, guys.



Disclaimer: This is a sponsored post by Aviva, which occurred after I was determined to find out what and how the industry deals with rogue accidents like the one my husband was involved in. All opinions stated above are that of my own.

Category

- 1. Family
- 2. Insurance

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