

Loss Adjustment

Description of business process

Determination of the extent of damage resulting from occurrence of an insured peril. Loss Adjustment activities include (but not limited to):

Activities

Pre-insurance acceptance for insurance

Depending on the type of insurance product the pre-insurance crop inspection may be required to assure the presence of the crop and record its actual conditions at time of insurance application. Such crop survey is conducted by the trained crop surveyor or may be performed by the underwriter if the decision on insurability is made purely based on the EO services or data.

Initial crop inspection after risk event occurrence

It is important to record the crop condition after the risk event occurrence. Physically inspection is conducted by the trained crop surveyor/loss adjuster indicating the scale and the character of damage caused to the crop insured. Among the surveyor's tasks are to identify the effect of insured and non-insured perils. In most cases such an inspection should be conducted within a limited period of time after actual crop damage (e.g. within 10 days). This period may be specified for each crops/risk insurance product or applied as a standard period for all agricultural products within the insurance company.

Loss adjustment crop survey (pre-harvest)

Final loss adjustment survey report is regularly required for further indemnification of the insurance claim. Physical pre-harvest crop survey allows the surveyor to identify the regeneration or degradation of the crop and estimating of the final damage extent and/or potential yield loss.

Reporting on actual extent of damage subject for further indemnification

The final loss adjustment survey report with an indication of the defined extent of crop damage is provided to the underwriter for calculation and approval of the final indemnity sum with further claim transfer to the insurer's claims handling department for further pay-out.

Challenges



