

FAQs When Filing a Claim

NIA's approach to claims is unique. Here's what to expect.

Our claims approach is to look for ways to cover claims within our policy, not for ways to decline them. If liability is clear when a claim is presented, we quantify the damages and pay the claim promptly. If liability is uncertain, we will thoroughly investigate and resolve the claim in a manner that is both conscientious and practical. We take very seriously the trust our members place in us to protect them.

Q: *What facts of the claim should I send?*

A: Absolutely everything to explain the claim. Please include all correspondence and related documents as well as any email conversations you may have with the insured explaining the situation. You can refer to [the checklist](#) we've provided with our claims reporting procedure for brokers of relevant information to submit to NIA.

We also encourage you to report incidents that you believe may result in claims. Reporting incidents will not impact premium and may help us direct you to appropriate NIA member resources and loss control assistance to help prevent claims. Since NIA's mission is to advocate for our insureds, it is ill-advised to hide facts of the claim.

Q: *When can I expect updates on a claim?*

A: Once you file a claim, we'll send you an acknowledgement stating that the claim is assigned. Please note that specific claims will determine the expectations and timeframes for results. In some cases, and despite our best efforts to the contrary, litigation can take years. For members, note that your broker

may receive information about a claim's status, including payment status and important mileposts such as litigation or trial status, upcoming mediations, and coverage.

Many brokers are inclined to follow up with us in thirty days. In most instances, there is nothing of substance to report to you or your broker within the first sixty days of a new liability claim. Information on property and auto physical damage develops much more quickly.

Q: *Could I know the details of the progress on my claim?*

A: In most cases, we're able to provide you with status updates, reserves, payments, and other pertinent information through your broker. We may give additional status information, such as the status of litigation.

However, we will often not be able to go into details about the claim and any exchanges. A litigated file is privileged to people who are a party to the litigation. This means we cannot release information about an investigation, which can later be used in litigation. Releasing such information to a non-party will waive the privilege. Therefore, we only provide generalized information regarding status of litigation for the protection of the broker.



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For NIA Members and Brokers

Q: *Could I know the details of my claim if it isn't in litigation?*

A: According to HIPAA privacy laws, we must keep file material private, and a claim not in litigation is still private. Some legal requirements vary by state, such as the release of policy information before litigation.

Our claims expertise means that our insureds are unburdened by navigating confusing information and processes. We're happy to relieve that burden for our members.

Q: *There was a significant reserve increase. Why?*

A: A claims reserve—also known as a balance sheet reserve—refers to the estimated funds set aside to pay policyholders in the future for claims that have not yet been settled.

Sometimes there may be a significant reserve increase with a filed claim. This can be due to new information in the discovery process, such as receipt of medical records, key depositions, or interviews of key witnesses. Good claims handling dictates that when we acquire new information that changes the potential outcome of a claim, we make a reserve change. Again, please note that each claim is different, and details of the claim will determine each outcome.

Q: *The policy covers defense costs. Could we choose our own attorney? May we select an attorney from your counsel panel?*

A: NIA policies provide for the carrier to choose the counsel to represent the insured.

Q: *What if I filed a claim and it wasn't covered?*

A: You may have questions when a claim is in litigation, when a claim has a large exposure, when there's a reservation of rights letter issued, or when a claim isn't covered. Brokers, you may receive questions from your clients when a claims review is coming up or if a member isn't satisfied with the coverage position taken.

Lack of coverage is sometimes applicable to incidents such as a when the date of loss falls outside of the policy period, when coverage is specifically excluded in the policy, or if there is no damage element to the claim.

For NIA Members and Brokers

Some nonprofits may benefit from certain coverages tailored to their needs.

Please note that NIA does not make coverage recommendations.

We have the following coverages to represent the needs of the nonprofit sector:

If the nonprofit organization...	You might consider...
Serves vulnerable clients including youth, elderly, and developmentally disabled individuals; these organizations include counseling, daycares, and more	Improper Sexual Conduct and Physical Abuse Liability Insurance
Provides therapy, mentoring, social work, medical services, daycare, and more	Social Service Professional Liability Insurance
Has potential for medical claims, including dog rescues, 24-hour operations such as group homes/shelters, landscaping, theaters/performance-based groups, and more	Participant/Volunteer Accident Insurance
See our full list of coverages .	

You may also want to refer to [Exposures, Concerns, and Solutions](#) to consider coverages.

Remember that in some claims, brokers should ask about other coverages that may respond before our coverage. As an example, a personal auto policy may respond before a commercial auto policy for a non-owned or personal vehicle used in the course of working for the nonprofit.

Note to Members: NIA does not recommend coverages or limits for its members. Please talk to your broker about the specific risks and exposures that your organization has and work with your broker to make sure that the appropriate coverage and limits are purchased to address those risks and exposures.



The insurance policy, not this brochure, forms the contract between the insured and the insurer. The policy may contain limits, exclusions, and limitations that are not disclosed in this brochure. Coverages may differ by state.

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