

## Lawsuits Increasingly Popular for Getting Auto Insurance Claims Paid

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"Insurance" lawyers advertising their services helping car accident victims to get insurance payouts in court. **Vladimir Filonov** 

Russians are beginning to use the court system more often to get auto insurance companies to make good on claims, according to statistics from the Russian Union of Auto Insurers, Vedomosti reported.

One out of every six rubles paid out is the result of a court case, the statistics showed. That amount has nearly doubled in less than two years, to reach 17.4 percent of all mandatory insurance claims payments. The average court ordered payment has also grown 31 percent and now stands at 50,000 rubles (\$1,470). For the same period, those making claims that get satisfied without going to court are getting an average payment of 36,000 rubles.

Insurance industry players attribute the trend to a Supreme Court decision of 2012 that extends basic consumer rights to mandatory insurance claims. Injured parties can now

demand compensation not only for material loss, but also for payment of fines and emotional damage.

This has led to the creation of so called 'insurance lawyers,' insurance companies said. These lawyers buy the claims rights from victims and then bring lawsuits against the insurance companies, on the basis of consumer rights protection legislation.

To resolve the situation, it is necessary to agree on a unified method of evaluating damage under mandatory auto insurance policies, said Dmitry Timokhin, the general director of MSK insurance company. This would reduce the number of disagreements, he added. The insurance union is also proposing to forbid insured parties to assign their rights to bring a lawsuit.

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