

USAA Bad Faith Insurance Practices in Colorado

Understanding your rights and the process when USAA acts in bad faith.

Based on *Usaa* by McCormick and Murphy

Step 1: Identify Potential Bad Faith

Recognize if USAA has acted unreasonably in handling your insurance claim. This includes delays, denials without proper investigation, or offering an unfairly low settlement.

- Document all communications with USAA.
- Review your policy carefully.



Step 2: Gather Evidence

Collect all relevant documents, including your insurance policy, claim correspondence, repair estimates, medical records, and any other evidence supporting your claim's value.

- Keep copies of everything.
- Organize your documents chronologically.



Step 3: Understand Colorado Law

Familiarize yourself with Colorado's specific laws regarding insurance bad faith, which define the duties insurers owe to policyholders.

- Colorado law requires insurers to act in good faith.
- Unreasonable conduct can lead to extra-contractual damages.



Step 4: Consult an Attorney

Seek legal advice from an attorney experienced in bad faith insurance claims in Colorado. They can assess your case and explain your legal options.

- Look for attorneys specializing in insurance disputes.
- Many offer free initial consultations.



Step 5: File a Formal Complaint

If advised by your attorney, you may need to file a formal complaint or lawsuit against USAA to seek compensation for damages.

- Your attorney will guide you through the filing process.
- Strict deadlines apply.



Step 6: Negotiation and Settlement

Your attorney may attempt to negotiate a settlement with USAA. If a fair settlement cannot be reached, the case may proceed to trial.

- Be prepared for a potentially lengthy process.
- Trust your attorney's advice on settlement offers.



Step 7: Litigation and Trial

If a settlement is not reached, your case will go through the litigation process, potentially leading to a trial where a judge or jury decides the outcome.

- Understand the discovery process.
- Prepare for depositions.

Resources & Further Reading

Related guides for this process:

■ USAA's Bad Faith Insurance Practices in Colorado (Infographic)

<https://storage.googleapis.com/mccormick-and-murphy-checklists-20260706-115bde/mccormick-and-murphy/Infographic/usaa-infographic.pdf>

■ USAA Bad Faith Insurance Practices (Action Sheet)

<https://storage.googleapis.com/mccormick-and-murphy-checklists-20260706-14eb7c/mccormick-and-murphy/Action%20Sheet/usaa-action-sheet.pdf>

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Protect your rights when USAA fails to act in good faith.