

Bad Faith Insurance Tactics Comparison

Understanding common tactics used by insurance companies in bad faith claims.

Based on Examples by McCormick and Murphy

Factor	Tactic	Description	Impact on Policyholder
Unreasonable Delays	Intentionally slow-walking the claims process.	Causes financial strain and emotional distress.	Can lead to policyholder giving up on a valid claim.
Denying Claims Without Investigation	Rejecting a claim without a thorough review of evidence.	Forces policyholder to fight for their rightful compensation.	Can be a tactic to avoid paying legitimate claims.
Misrepresenting Policy Terms	Interpreting policy language in a way that benefits the insurer.	Confuses policyholder about their coverage.	May lead to an incorrect denial of a claim.
Lowball Settlement Offers	Offering an amount significantly less than the claim's actual value.	Exploits policyholder's financial vulnerability.	Pressures policyholder into accepting less than they deserve.
Requiring Excessive Documentation	Demanding an unreasonable amount of paperwork and proof.	Creates a burdensome and time-consuming process for the policyholder.	Can be used to discourage policyholders from pursuing their claim.
Threatening Litigation	Suggesting legal action against the policyholder if they don't settle quickly.	Intimidates policyholder into accepting a less favorable outcome.	Often a bluff to avoid a larger payout.

Resources & Further Reading

Related guides to support your comparison:

■ Pueblo Bad Faith Insurance Claim Checklist

<https://storage.googleapis.com/mccormick-and-murphy-checklists-20260710-3eaad2/mccormick-and-murphy/Checklist/pueblo-bad-faith-insurance-claim-checklist.pdf>

■ Protect Your Rights: What to Do About Bad Faith Insurance in Pueblo (Action Sheet)

<https://storage.googleapis.com/mccormick-and-murphy-checklists-20260710-3eaad2/mccormick-and-murphy/Action%20Sheet/pueblo-bad-faith-insurance-claim-lawyer-action-sheet.pdf>

■ Home

<https://mccormickmurphy.com/>

■ About

<https://mccormickmurphy.com/about/>

■ Kirk McCormick

<https://mccormickmurphy.com/about/kirk-mccormick/>

■ James Murphy

<https://mccormickmurphy.com/about/james-murphy/>

■ Sample Case Result

<https://mccormickmurphy.com/about/sample-case-result/>

■ M + M in the community

<https://mccormickmurphy.com/about/m-m-in-the-community/>

■ Testimonials

<https://mccormickmurphy.com/about/testimonials/>

■ Practice Areas

<https://mccormickmurphy.com/practice-areas/>

McCormick and Murphy | 929 W Colorado Ave, Colorado Springs, CO 80905

(719)-389-0400 | mccormickmurphy.com

Insurance companies may employ tactics to delay or deny valid claims; legal representation can help.