

CLAIMS

General TIPS on Claims

1. The following tips will help you ensure that if any of your property is lost or damaged in shipment; you can file a well-documented claim and be paid what you deserve.

2. The inventory is the most crucial step in the process.

You simply must control the packing and inventorying of your household goods. If items are not listed on the inventory, you may not be paid for them when you file a claim.

One of the most common complaints is that there were a lot of packers and movers; this made it hard to watch everything. Nevertheless, you or your agent must understand that you have to exercise some control and authority. If you are so overwhelmed by the packers or movers that you cannot observe your property being packed or listed on the inventory, call (QC) at 645-3098/9365. If you can't be present, make sure your spouse or agent knows what to do and arranges for help if necessary. If all else fails, make a statement on the inventory describing the problem.

Make sure that the packers write adequate descriptions of the contents on the boxes and later on the inventory. While the packers do not have to list every item, they should write the general category of the items on the outside of the boxes. The general category of each box (e.g. living room, master bath, toys, etc.) should also be written on the inventory.

List items that normally wouldn't be packed in a certain box. Examples: tools packed in a box marked clothes; a lamp packed in a box marked "garage items". If you later claim for an item that would not reasonably be expected to be found in a certain box, you may not be paid for it.

Ensure that the carrier employee who fills out your inventory is accurately describing the condition of your property. If you disagree with his/her notations on preexisting damage, write your exceptions at the bottom of each inventory sheet. High value items must be listed on the inventory.

3. Prepare your own personal inventory and gather substantiation of your major items. Before your move, make a list of the major items you own (i.e. furniture, electronic equipment, art objects). List the purchase prices and dates for these items and gather receipts, paid bills, pre-shipment appraisals to prove it. Then take photographs to show the condition of the property. Keep this information separate from your household goods. Keep it with you when you move.

4. With good inventories (personal and mover's) and substantiation of ownership and value, you will be in good shape. After delivery, you still must promptly fill out the DD Form 1840/1840R to report any loss or damage.

DD Form 1840/1840R

The DD Form 1840/1840R is a pink form that is critical in the household goods claim processes. You must understand the role of this form and handle it properly.

The *DD Form 1840* is filled out at delivery. The 1840 is the front side of the form. It is called the "Joint Statement of Loss or Damage at Delivery". Although many deliveries are rushed, you should take all the time you need to list any loss or damage that you noticed during delivery of your household goods. Please make sure that all items listed on the inventory are received at time of delivery, if not annotate the missing inventory line items on the DD Form 1840 before the agent departs.

What is the *DD Form 1840R*? It's the reverse of the *DD Form 1840* and has a different title: "Notice of Loss or Damage".

The *DD Form 1840R* must be completed and received by the nearest claims office within 70 days after delivery. If you mail it, allow plenty of time for it to get to the claims office within 70 days. Receipt by the 70th day allows the claims office to dispatch a copy of the *DD Form 1840R* to the carrier by the 75th day as required by agreement with the carriers.

Why is the *DD Form 1840R* important? Two reasons:

The Government might conclude that any items not listed on a properly completed and timely filed *DD Form 1840R* were either not shipped or were not damaged in shipment. The Government will deduct the amount that it could have recovered from the carrier, had a *DD Form 1840R* been timely filed, from any amount payable to you on your claim. IN MANY CASES, THIS "POTENTIAL CARRIER RECOVERY" DEDUCTION WILL RESULT IN ZERO PAID FOR ANY ITEMS NOT LISTED ON THE DD FORM 1840R. The reason is that the Government can usually recover 100% of the carrier's liability in the majority of shipments. But if you don't report the loss or damage on the 1840R, the Government can't recover any money and in turn will not pay you.

Even if you have a large shipment, you must complete the *DD Form 1840R* within 70 days. This means you need to do all your unpacking to make sure you have found all loss or damage so that you can report it. It is permissible to file more than one DD Form 1840R if you discover loss or damage after you filed the first form, but all *DD Form 1840s* must be filed within 70 days. (There are some limited exceptions to the 70 day rule, but you shouldn't rely on them, unless absolutely necessary, as you may risk not being paid for items reported late.)

Before filling out the *DD Form 1840R*, make sure you reverse the carbons!

Be careful to record correct inventory numbers for all items; even items missing from cartons.

Ask the claims office for help with the form if you have any questions -don't let the 70 days expire without reporting all losses and damages.

One final comment - **Submitting a DD Form 1840R to a claims office does not constitute filing a claim. In other words, even though you submit a DD Form 1840R within 70 days, you still must file a formal claim within 2 years of the date of delivery of your shipment.**

High-Value Items

1. By federal law, the Government may not pay more than \$40,000 per claim. If the value of your household goods is greater than \$40,000, you should obtain insurance to guard against a total loss.

2. There are also maximum amounts which can be paid on most items. Some examples of maximums are:

- Furniture - \$3,000 per item
- Jewelry - \$1,000 per item
- Automobiles - \$3,000 for all non-shipment claims (\$20,000 in shipment)

Claimants are expected to have insurance above these amounts.

4. Where can you find this information?

- It is in the "It's Your Move" booklet.

5. Why are there maximums? In enacting the claims law, Congress only provided for payment for property that was "reasonable or useful" under the circumstances of military service. The maximums set limits on payment to quantities and quality of items that are generally considered reasonable or useful for military members and civilian employees to own. In certain circumstances, these maximum amounts for types of items may be waived.

6. You need to have substantiation of ownership and value for expensive and valuable items that you claim. It is an excellent idea to have your own personal inventory of your household goods. You should keep a list of all major items along with their purchase prices and purchase dates and the receipts to prove it. Also, consider using photographs to document your ownership of the items and their condition and value. Keep inventories and photographs separate from your property. Don't ship these items with your household goods. You may wish to obtain pre-shipment value appraisals of expensive and valuable property.

Required Documents for a HHG Claim

DD Form 1842 and 1844 (the claim forms themselves) *AF Form 180* may be used in lieu of Orders. You will need one copy, with one copy of any amendments.

Inventories- All inventories you have concerning shipment of your property. Submit the carbon copy, not a photocopy. If you do not have a copy of the inventory, ask the QC Section for assistance in obtaining a copy from the carrier.

DD FORM 1840 / 1840R- The claims office must have the pink carbon copies (All of them should be brought in). Photocopies are not acceptable.

Receipts, paid bills, canceled checks, pre-shipment appraisals, photographs or other evidence if available to substantiate the value of the items being claimed.

Estimates of repair- A repair estimate should be in writing on a business form or letterhead and should be signed and dated by the person preparing it.

Replacement cost substantiation- This should be provided on any item for which you are claiming a replacement cost of \$100 or more.

*Price quotes from stores should be signed and dated on company letterhead and should list the make and model number.

*You may also submit a page from a catalog. Provide the name of the company and catalog date with the page submitted.

You may submit an advertisement from a newspaper or magazine. Provide the name and date of the newspaper or magazine with the clipping or page submitted.

You should first check to see if replacement items may be purchased through the local Exchange. Failure to check for the replacement cost at the Exchange only delays processing. Claims personnel are directed to use Exchange prices if a comparable item is available there at a lesser cost.

Inspections and Salvage

1. Keep all damaged items until 45 days (60 days for overseas destination shipments) after your claim is settled. The carrier and the claims office have the right to inspect your household goods for shipment damage. Also, if you are paid the actual value of any item, it belongs to the carrier or the government.
2. If you do not keep an item for inspection, you may not be paid for it. There may be a partial or a full deduction of the value of the item from the payment due to you.
3. Also, if an item is repaired before inspection and there is no way to verify whether the damage was shipment related, you may not be paid for the item.
4. Yes, there are exceptions that allow you to dispose of items without inspection which pose a safety or health hazard (moldy mattress or broken glass) or to repair essential items that otherwise could not be used (a refrigerator). Check with the claims office, which should keep a memo for record on any permission given to you to dispose or repair without inspection.
5. The carrier has the right to inspect within 45 days (60 days for overseas destination shipments) after delivery of the household goods or dispatch of the DD FORM 1840 (pink form), whichever is later. The carrier can contact you directly and you must cooperate. The government may not be able to collect from the carrier if you do not allow an inspection. Contact the claims office if problems arise.
6. The carrier can use a repair firm to do its inspection. The carrier's repair estimate may be used to adjudicate your claim, but only if the claims office determines that it is a reasonable valid estimate from a responsible firm near you.
7. **Salvage-** If you are paid the actual value (depreciated replacement cost) of an item, it will belong to either the government or the carrier. However, if you want to keep the item instead of turning it in, you should let the claims office know when you file your claim. In that case, a salvage deduction may be taken from your payment which will allow you to keep the item. The amount of any salvage value deduction will depend on the type of item and its condition.

8. **Carrier salvage**- If you do not want the item and the carrier pays the government for it, the carrier has salvage rights. The carrier must pick up the item at your residence or other mutually agreeable location within 45 days after your claim is paid by the government. Again, you must cooperate with the carrier or you may have to return the payment you received. If the carrier does not pick the item up in the time allowed, you may dispose of it as you wish.

9. **Government Salvage**- If you do not want the item and the carrier has not paid for it, it belongs to the government. If it has a salvage value, the item must be turned in. Either the government will pick it up at your residence or you can transport the item to the salvage location if you wish.