

Household Goods Claims



**CLAIMS DIVISION
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Full Replacement Value (FRV)



- You have a choice of obtaining full replacement value (FRV) for lost or damaged items, or depreciated value replacement.
- In order to get FRV you must file your claim directly with the Transportation Service Provider (TSP or “carrier”) within 9 months of delivery.
- Even if you file directly with the TSP you can still obtain assistance from the Military Claims Office (MCO).

FRV - How It Works



- **Notice to TSP (Carrier)**
 - 75 day time limit
 - ✦ TSP Notice of Damage/Loss Form
 - Loss/Damage annotated at delivery
 - Loss/Damage discovered after delivery, notice must be filed online to TSP through DP3 Claims Module
 - If unable to file notice online, contact military claims office for a waiver to use other means to provide notice (Fax, mail, email, etc)
 - ✦ Please Note, this Notice Form is not a Claim, in order to be compensated you will also need to file a Claim
 - Good Cause Exceptions for failure to provide Notice
 - ✦ Provided by Military Claims Office (MCO) to TSP
 - Armed Conflict or TDY/Hospitalization
 - Other

FRV - How It Works



- **Filing A Claim**
 - Must be filed online in DP3 Claims Module
 - If unable to file online contact Military Claims Office (MCO) for waiver to use other means
 - To be eligible for FRV, claim must be filed **within 9 months of delivery**
 - Claims filed after 9 months will be paid based on depreciated value.
 - Claims not filed within 2 years cannot be paid.

Full Replacement Value (FRV) Liability



- \$5000 per shipment or \$ 4.00 per lb x net weight NTE 50K max
- Items damaged but not destroyed, TSP will either repair or reimburse for cost to repair
- Items lost or destroyed, TSP will either replace with a new item or pay the fair market replacement cost for a new item
- Destroyed/lost motorcycles are paid based on NADA Used Car Guide or Qualified Appraiser
- If not satisfied with TSP offer, you can transfer claim or portion of claim to the MCO.
- NOTE: Keep a record of the claim submitted, when it was submitted, how it was submitted, and where it was submitted.

High Value Items



- High value items are limited to currency, coins, jewelry, silverware and silver service sets, crystal, figurines, furs, objects of art, computer software programs, manuscripts, comic books, baseball cards, stamps, and other collectable items or rare documents that have a value in excess of \$100 per pound.
- TSP's liability for high value items is limited to \$100 per pound of the article, unless the customer lists the items on the designated High Value Inventory sheet supplied by the TSP at Pick Up

Catastrophic loss



- The TSP is responsible for identifying and making partial, advance payments to customers who have suffered a catastrophic loss.
- Catastrophic loss occurs when over 60% of the inventory line items in a given shipment are lost, damaged, or destroyed.
- Payments must be made within 48 hours of the TSP discovering or being notified of a catastrophic loss, unless the customer and TSP otherwise come to an agreement.

Catastrophic Loss



- TSPs are required to pay no less than 5% of their total maximum liability for the shipment.
- In the event that a TSP identifies or is informed of a catastrophic loss for which it believes it is not liable the TSP shall inform the customer's MCO within 24 hours. In such cases, the MCO shall handle the advance payment and claim.
- If you suffer a catastrophic loss contact the installation's MCO immediately.

Transferring Claim to MCO



Step 1. Notify the TSP that you are transferring the claim or portion of the claim to the MCO.

- ≤ You cannot transfer until at least 30 days have passed since you filed claim with TSP (unless an exception applies)
- ≤ You cannot transfer if you have accepted final settlement from the TSP

Step 2. Contact the MCO and find out the procedure for filing a claim with them. You must file a separate claim form and the claim is not automatically transferred in the DP3 Claims module.

Immediate transfer to MCO



A claim may be transferred to a MCO before 30 days has expired, and the TSP will remain liable for FRV if the following occur:

- a. The customer receives notice that the TSP has made a final offer on a portion of the claim, denied a portion of the claim, or denied the claim in full. The claimant may transfer those portions of the claim denied or receiving a final offer.
- b. The customer receives official notice from DPS that the TSP is in bankruptcy.

Immediate Transfer to MCO



- c. The customer receives official notice from DPS or a PPSO that the TSP has been placed in permanent, world-wide Non-Use status or the approval has been revoked, or contract terminated by SDDC.
- d. The TSP fails to comply with the catastrophic loss provisions as verified by the MCO.

Actual (Depreciated) Value Liability



- If a claim is filed after 9 months with the TSP or if you do not file with the TSP but file directly with the MCO, your claim will be paid based on the depreciated value of the lost or damaged item.
- For example, if your 5 year old television which you purchased for \$1000 is damaged, you cannot be paid more than its depreciated value of \$500 (10% depreciation X 5 yrs, or $\$1000 - \$500 = \$500$)

Summary of FRV Rules



- a. At delivery: the customer and delivering TSP will review and then sign the ‘Notification of Loss/Damage AT Delivery’ if there is loss or damage evident at the time of delivery.
- b. Within 75 days of delivery: the customer must submit the ‘Notification of Loss/Damage AFTER Delivery Form’ to the delivering TSP or enter the report of loss and damage in the claims module of DPS.

FRV Summary of Rules



- c. Within 9 months of delivery: the customer must file claim to the delivery TSP for settlement to be eligible for FRV.
- d. If a claim is not completely settled after 30 days, the customer may transfer the unsettled portions of the claim to the appropriate MCO. However, the customer may transfer a claim immediately for reasons previously noted, and still be eligible for FRV.
- e. The customer has the right to file their claim up to 2 years from delivery. If the claim is filed after 9 months from delivery but before 2 years from delivery, the customer is only entitled to depreciated value of the items.

MCO Processing



- Claims with the MCO can be filed online via PCLAIMS if you are an AKO registered user.
- Claims can also be filed by personal delivery or mailing signed completed claims forms (DD 1842 and 1844) and substantiating documents to a MCO
- Contact the MCO to obtain specific claims instructions.

Filing Directly with the Claims Office



- 75 day notification of damage is made directly to MCO
- The statute of limitations (deadline) to file the claim is 2 years
- Paid based on depreciated replacement value
- More legwork, obtaining estimates of repair, etc.

MCO FRV Assistance



- The MCO will assist you with the following:
- You are unable to provide notice or file a claim with the TSP
- The TSP does not respond to your claim (please contact the MCO prior to expiration of the 9 months)
- You have doubts as to whether the TSP's settlement offer is fair
- You are considering transferring your claim to the MCO

Helpful Links



- US Army Claims Service
<https://www.jagcnet.army.mil/USARCS>
- DPS www.move.mil
- Fort Huachuca Claims Office