

About the Author



Barry Zalma practiced law in California for more than 44 years as an insurance coverage and claims-handling lawyer and has spent more than 50 years in the insurance business. His comprehensive deskbooks are the first published under Fastcase's Full Court Press imprint. Three titles are available in [ePub and MOBI format](#), as well as on the Fastcase legal research platform. Barry's fourth Full Court Press title, *Zalma on Property & Casualty Insurance*, will be published this fall.

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Claims in a Catastrophe

Presenting a Claim

If your house was damaged or destroyed by a wildfire, accidental fire, windstorm, flood, hurricane or earthquake, as a result of state declared catastrophes and you had a fire, homeowners, flood insurance, tenant's homeowners or condominium policy you will be dealing with an insurance adjuster to gain indemnity for your losses. You should recognize that dealing with an insurance adjuster in a catastrophe is usually fairly easy. The adjuster and the insurer are under pressure from local, state and federal governments to quickly resolve the multitude of claims resulting from the catastrophe.

Insurers dealing with a catastrophe will usually be in a very generous mood. They will be seeking good publicity by taking care of victims of the catastrophe quickly and fairly. To make the claims process go easily the insured person must understand that both the insured and the adjuster have duties when damage-caused by fire, windstorm, flood or other insured perils are discovered. The following list outlines the most important of these duties:

1. You should be sure there is no unnecessary delay in reporting the fact of the discovery of damage to your insurer as a claim. This can be done directly to the insurer or through your insurance agent or broker.
2. You and the adjuster should establish that there is no unnecessary delay in responding to any fire, firefighting, flood or water-related cause of loss where "mold" may result as a natural result of water, warmth, and existence of mold spores in all building.

3. You may be asked to sign a non-waiver agreement.
4. You may receive a reservation of rights letter advising you of your duties under the policy, the conditions that apply or might apply, and the exclusions that may apply to the facts of the loss.
5. You, as the insured, should readily, and without objection, sign the non-waiver agreement or accept the reservation of rights as an expression of the status quo. You give up nothing by doing so and are only recognizing that the insurer's investigation of your loss does not waive any of the rights the insurer has under the terms and conditions of the policy.
6. The adjuster should remind you, immediately of your duties as the insured, to preserve and protect the damaged property and to mitigate the loss with due diligence and dispatch.
7. The adjuster will advise you of the coverages available and the limits of liability of the policy you purchased.
8. You can request from the adjuster the identity of respected, competent, and professional contractors experienced in fire reconstruction or the drying out of buildings and the prevention or restriction of further loss including mold growth.
9. You should follow up regularly with the adjuster to ensure that he or she is meeting contractual obligations since a catastrophe often makes communications difficult.
10. If you have failed to protect the property from further loss, the adjuster must remind you, in writing, of your failure and how that could effect your claim.
11. The adjuster will probably consider advance payments to avoid any unnecessary difficulties so that you and your family will have a place to live while your house is being rebuilt.
 - a. You can expect an advance of \$10,000 to \$20,000 if your house is destroyed to carry you over.
 - b. Even if your house was not damaged you are entitled to additional living expense payments if you were ordered out of your house by the state government, federal government, Homeland Security, or the local fire or police department.
 - c. Remember that additional living expense coverage does not pay all of your post loss expenses, only those over and above your normal expenses.
 - d. Keep receipts and have evidence of all expenses incurred after the loss.

Insurance claims require personal attention to detail by you, the insured. You and the adjuster should meet in person. If the claim is to be resolved expeditiously and fairly, both you and the adjuster should work to establish a personal relationship and to resolve, if coverage is available, the problems caused by the damage to the dwelling or business structure.

Once the rights, obligations, and duties of the insured and the insurer have been stated, and the initial investigation is complete, the insurer is obligated to conduct a prompt analysis of the policy wording and the law to determine whether coverage exists for the damage claimed. Once the investigation is complete and the decision made, it is the adjuster's obligation to advise you, promptly and in detail, of the decision of the insurer.

If coverage is available, it is also the obligation of the adjuster to advise you of your duties and obligations to obtain complete indemnity from the insurer and to protect the property from further loss.

The Notice of Loss

If you believe that your property was damaged or destroyed by a peril insured by your policy you should call or write the insurance agent, broker or insurer immediately (or as soon as practical after moving yourself and your family to a safe place) to report your claim. Follow up the phone call with a fax, an email, and a letter. If the house was not destroyed but a great deal of firefighting water or subsequent rain or flood water entered the property try to get a remediation team into the home or business within the first 48 hours to begin drying out the property. If you do not know one ask your insurer's adjuster for a referral. This is crucial to preventing or containing mold growth and rot.

If the agent, insurance company, independent adjuster, or restoration company delays the claim, follow up with a fax, an email, and a letter confirming their delay in responding. It would be helpful to send copies of the follow-up letters to the consumer protection unit of the state's Department of Insurance. Take detailed notes of every conversation, including the name, company, phone number, address, and job title of every insurance adjuster, representative, consultant, and contractor you deal with. Confirm all agreements in writing and insist that appointments and deadlines be honored.

Keep a log of all notes and letters and ask for and keep business cards from everyone involved in your claim.

Immediately after the initial telephone call and all subsequent telephone calls write a letter or e-mail to the broker or agent, with a copy to the insurer, providing the same information. The letter need not be formal. It can be handwritten on any available paper and a photocopy should be kept. If you use e-mail to communicate keep copies of all e-mails and, when possible, print out each e-mail and response.

The notice of loss should include the following information:

- Your full name.
- The location of the property.
- The policy number.

- The effective dates of the policy.
- The date when damage first occurred.
- The type of property damage.
- The cause or causes of the damage.
- How the adjuster can contact you.
- That you need immediate contact from the adjuster.

If your policy has been destroyed by the catastrophe you can obtain the information needed, and obtain the assistance of, the insurance agent or broker who helped you obtain the policy. If the agent or broker is also a victim of the catastrophe the same information can be obtained directly from the insurer.

By providing the information the agent, the broker and/or the insurer will have the information needed to establish that you, as the insured, have fulfilled the first obligation under the policy: to provide immediate notice of loss to the insurer.

If the insurer is working effectively and has a catastrophe team of adjusters in place you should receive contact from an adjuster within 24 hours of the notice. The first call should arrange an appointment to inspect the property. You should arrange for inspection as soon as possible and have the entire property available for the inspection if possible. If emergency efforts are required, you should so advise the adjuster so that he or she can help you take emergency measures to protect against further loss.

If possible, you or the adjuster should arrange to have one or more contractors present at the first meeting to determine the extent of the damage. If the damage is extensive, consider retaining the services of a public insurance adjuster. Public insurance adjusters are licensed by your state and allowed to charge a percentage of recovery for their fee. As a result, if the public insurance adjuster obtains a settlement for the amount necessary to rebuild your house and replace the contents you will need to use your own funds to cover the reduction in your recovery from the insurer that is paid to the public adjuster.

If you determine a public insurance adjuster would be helpful it is appropriate and necessary to seek one who is a member of the National Association of Public Insurance Adjusters (NAPIA), a professional membership organization that seeks to instill professionalism in the trade, or an attorney experienced in representing policyholders in the claims process to represent your interest. The lawyer will usually work on an hourly fee basis while the public insurance adjuster will expect a percentage of the amount paid by the insurer.

You must recognize that the public insurance adjuster will ask for a 10 – 15% negotiable fee. Do not hesitate to negotiate with the public insurance adjuster. Never pay the first fee quoted. Considering the volume of work in a catastrophe, you should be able to negotiate a fee between 3% and 10%.

Insurance Company Response

Your insurer should respond to typical catastrophe claims by written or verbal contact within 24 hours of your notice of the claim. The insurer should share information regarding emergency repairs, additional living expenses, temporary advance payments and prevention of further loss with you.

Your insurer should, and in California is obligated to, advise you of your responsibilities under the policy. Many require their representatives to be at your home within 24 to 72 hours of notice of claim. If you explain that your fire loss is severe, the insurer should attempt to have a representative at your house within 24 hours.

The insurer is obligated by statute, state administrative regulations, or by the terms of the policy to determine whether your claim is covered and provide an initial estimate of damage within seven to 14 days after the insurer's first on-site visit. This first estimate is subject to change. Within the same time frame, your insurer should attempt to provide you with a written statement confirming or denying coverage.

The statutory and regulatory time limits are usually waived in catastrophes and may be impossible to meet with regard to the Northern California wildfires, Hurricanes Harvey and Irma or any other catastrophic event. You should expect your insurer to return all phone calls within 24 hours. Initial contact may be with your insurance agent or broker or a claims office or the toll-free phone number included in the policy. Because of the volume of claims after a catastrophe like those in the 2017 hurricane season and California wild fire season, this time frame will probably not be feasible.

First Contact with the Adjuster

Your first contact with the adjuster is usually an informative meeting where you discuss the cause of the loss, the type of loss, when the loss was discovered, and make an initial effort to agree on a tentative scope of loss.

You should expect the adjuster to do the following:

1. ask for a walk-through inspection of the entire dwelling or building remaining after the catastrophe.
 - a. You should make every effort to point out each item of damage or suspected damage during the walk-through inspection.
 - b. You, or your representative, should assist the adjuster in viewing both the damage and the source of the damage;
 2. ask you to submit to a recorded statement;
 3. ask you for the identities of each family member or vendor who can give the adjuster information about the loss;
 4. ask for the recorded statements of the persons identified;
 5. ask permission to allow experts retained by the insurer to inspect the property and do minor destructive testing to establish the appropriate methods of reconstruction and repair; and
 6. ask permission to contact others who know information about the loss and to obtain from those people within your control a detailed recorded statement and documents relating to their knowledge of the loss and the extent of the loss.
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First Meeting with the Adjuster

An adjuster is a person professionally trained to assess the damage to your property. He or she will probably visit your home or business before you are asked to complete any forms. The more information you have about your damaged home or business and belongings, the sooner your claim will be settled. Your adjuster generally will come prepared to do a thorough and complete evaluation of the damage to your property. If the adjuster is unable to complete a thorough inspection due to time constraints or the extent of damage, he or she should prepare a scope of the loss report. This is a brief listing of the findings of damage determined at the initial inspection of the damage.

The adjuster should ask you to agree to the scope of loss determined at your first meeting. Agreeing to a scope of loss is not presenting a claim nor are you compelled to the scope of loss. As time passes after the catastrophe it is common to find additional losses and damages.

It is understood by the adjuster that the scope is incomplete and will be added to as new damage is discovered. It is usually supplemented with a second visit after the reports of experts are received to complete the inspection.

The "scope of loss" should include the following:

- degree of damage;
- a description of each location where damage was observed;

- a description of the adjuster's and your own best estimates of the type of damage observed;
- a list of all personal property damaged or destroyed;
- quality of the materials and workmanship; and
- measurements needed to calculate quantities, including length, width, and height of rooms and the number of "openings" (windows and doors) in each room.

The scope of loss, usually referred to by claims people as the "scope," differs from the finished estimate in two ways: (1) the scope does not necessarily list any prices, although prices can be used to describe quality and (2) the scope does not list the calculated quantities; it includes just the raw counts and measurements needed to calculate quantities for the estimate.

Protect All Property from Further Damage

Every policy requires that the insured protect the property from further loss. Therefore, you should turn off any water flow to broken appliances or pipes, arrange to have openings in roofs or walls covered to protect from rain damage, and seek help from the adjuster to further protect your property from losses of all types.

You, as the insured, are expected to take any necessary emergency measures to protect the building and personal property from any further damage. Do not throw anything away until permission of the insurance company is obtained in writing and you have documented its condition. You need not keep any damaged property that presents a hazard to the health or safety of you, your family or others.

If the insurer delays or refuses to authorize measures to prevent further loss, confirm the insurer's delay in a fax, email, and a letter, and take whatever reasonable measures you can afford to protect the property. If your loss is covered, the insurance company should also cover the cost of any reasonable emergency measures you took to protect your property.

It is not unusual for an insurer to deny coverage for damage resulting after the initial claim on the grounds that an insured failed to comply with the policy condition to protect the property from further damage.

Document the Loss

If you were prudent and prepared, before the catastrophe, an inventory of your contents or took pictures of your contents, provide the adjuster with the inventory and photographs or videotape. Photograph, videotape, and inventory all damaged property after the loss. Make sure you record the date of the photos and videotape. It is important to document the source and the extent of damage whether by fire or water intrusion. If your photos or videos are electronic be sure to store the records off site, in the cloud, or with entities like DropBox, Box.com, etc.

In most states, a material misrepresentation, concealment, or omission made in connection with the claim will give the insurer a valid reason to reject the entire claim. For example, claiming that an item was destroyed that really wasn't or substantially overstating the value of a damaged item is fraud. In most states insurance fraud is a felony that can place you in state prison if convicted.

No catastrophe is so bad as to cause you to attempt to defraud your insurer to make up for uninsured or underinsured losses. You should never exaggerate, speculate, or guess about the loss or value of any particular piece of property. Make it clear to your insurer when recollection may not be accurate, when you are estimating value, and the basis for your estimate. For the value of items, you are not sure about on a claim presentation, use the phrase "To Be Determined." If you do not have receipts to show the price of an item, information can be found in catalogs, statements from retail clerks, bank statements, credit card statements, statements from family members or friends, GOOGLE, Bing.com, Amazon.com or other internet sources.

If all else fails, a formal appraisal can be obtained from a professional personal property appraiser. Save this as a last resort, since the insurer will usually refuse to reimburse you for the costs of hiring an appraiser, but may hire one at no cost to you if asked courteously.

You Must Cooperate with the Insurance Company's Investigation and Handling of the Claim

You, as the insured, have a contractual obligation to cooperate with the insurer in its investigation and handling of the claim. However, you never have an obligation to allow yourself to be abused. In most states the insured and the insurance company have a mutual obligation to act in good faith and deal fairly with each other to investigate and process the claim. Neither you nor the insurance company may do anything to prevent the other to obtain the benefits provided by the policy.

This means that both should avoid taking any unreasonable position or doing or saying anything that would in any way frustrate each other's rights under the policy. The insurer may require one or more recorded statements from you. Always request a copy of the tape and a transcript of the statement to review. When the recording is complete, ask the adjuster to break out the tab so that nothing can be recorded over the tape and place your signature and date on the tape label. If recorded electronically on a smart phone or other device ask for an electronic copy of the statement and a copy of the transcript if one exists. Repeat your request by e-mail, letter or fax. You have a right to review and correct the transcript of any recorded statement.

You may also be required to appear for an "Examination Under Oath" (EUO). The insurer may, but is not required to, hire an attorney to take the EUO to represent the insurer. Since a lawyer is not required. If you retain a lawyer to represent you the insurer will not pay for the attorney that is representing you.

You should not appear for an EUO until you understand all rights, the insurance coverage, and the full extent of the claim, or until counsel is retained. Do not refuse to appear at an EUO or the insurer may reject the claim because such refusal is a breach of a material condition of the policy. You may reasonably request a delay in appearance at an EUO to obtain the services of counsel or a public insurance adjuster.

The insurer may ask you to make available various documents related to the claim, including banking statements, investment reports, receipts, and other personal financial documents. You are required to produce any documentation reasonably related to the insurer's investigation of the claim that can include tax returns. In some states, tax returns are considered privileged and the insured cannot be compelled to produce them, while in other states the failure to produce tax returns is sufficient cause to deny the claim.

The insurer can require you to produce these kinds of documents as long as they are reasonably related to its investigation and exist. Often documents needed are destroyed by a wildfire, flood or hurricane. The EUO is used to allow your sworn testimony to take the place of the documentation destroyed by the catastrophe.

You should not provide these documents to the insurer until you understand the rights, duties, and obligations imposed by the insurance coverage and the full extent of the claim. You should never refuse to produce documents unreasonably since the requirement for document production is a condition precedent to the insurer's obligation to provide a defense and/or indemnity to you.

Proof of Loss Requirement

Most first party property policies require that you submit a sworn proof of loss form to the insurer within a certain amount of time, either after the loss or after being provided the proof of loss form. During a catastrophe, especially when total losses are involved, insurers will often waive this requirement.

Flood insurance policies require the proof of loss within sixty days of the loss and are applied in a draconian fashion because flood insurance is a federal government program whose payments eventually are paid from the U.S. Treasury. If you cannot produce a proof of flood loss within 60 days of the loss obtain an extension of time, in writing from the adjuster, or you may lose all rights under the policy to indemnity.

The National Flood Insurance Program (NFIP) will, as a result of a catastrophe, announce that it is waiving proof-of-loss requirements for victims of the catastrophe and will instead rely on claims adjuster reports, aerial photography, and information on water depths to help expedite the process of paying claims, according to the Federal Emergency Management Agency. These waivers are not unlimited and with regard to the NFIP you, as insured, must be certain to comply with the requirement or obtain written waivers as needed.

According to the NFIP, information from underwriting files will be used in concert with photographic and topographical data to determine where it is readily apparent that a covered property's flood damage has exceeded the amount of coverage purchased. The process would allow claims to be paid on homes that have been washed off their foundations, have been inundated by standing water for extended periods of time, or where only a slab or the home's pilings remain, even where no formal site visit has been conducted.

In most states you are contractually obligated to submit the sworn proof of loss within the time limit (usually 60 days from the date of request), or at least to substantially comply with the requirement, unless the insurer agrees to dispense with the sworn proof of loss or extend the time. You should not submit the sworn proof of loss to the insurer until you understand all of the rights and obligations imposed by the policy, the insurance coverages, and the full extent of the claim. It is not unusual for an insurer to consider mistakes in the sworn proof of loss (since they are sworn to under oath) as intentional misrepresentations sufficient to allow it to reject coverage for a claim. A statement made under oath cannot, by definition, contain an innocent misrepresentation.

Never sign a sworn proof of loss, even if your lawyer or professional public insurance adjuster prepares it, until you have carefully read every word and are certain that the statements made are true.

Some insurers believe that, at some point, you will refuse to comply with their requests. If you refuse to comply with reasonable requests for a recorded statement, an EUO, a sworn proof of loss, or documents reasonably related to the insurer's investigation, you may give the insurer a valid excuse to deny the claim based on your breach of the duty to cooperate.

If you believe that any requests made by the insurer are unreasonable, ask the insurer to explain the reason(s) for the requests in writing. Err on the side of caution and provide all documents that have some reasonable connection to the policy or loss. Before giving an insurer a reason to deny a claim because of your failure to cooperate, consult with a policyholder attorney, a public adjuster, or the state Department of Insurance before refusing a request that may, in retrospect, turn out to have been reasonable.

Get a Second Opinion

Many insureds believe that insurers make a practice of making inadequate (sometimes called "lowball") offers of settlement. They are wary of what they think are estimates from insurance-company-friendly contractors. Whether true or not, it is a good practice to get a second, or even a third, written estimate to repair and replace damaged property from reputable, independent professionals that you would hire to do the repairs if there was no insurance. Remember, however, that every catastrophe draws unscrupulous contractors and public insurance adjusters who make promises that they cannot keep, will take the money and disappear. Therefore, always seek referrals from friends, neighbors and your insurer before you sign a contract with a reconstruction contractor.

You are entitled to have the damaged property replaced with "like kind and quality." This means that you should insist that the amount determined to be the amount of loss is sufficient to replace the property with property of like kind and quality to the damaged property. When you cannot match the remaining undamaged tile, wallpaper, carpeting, or other portions of undamaged property, you are usually entitled to have the entire "line of sight" replaced to match. For example, if a broken water pipe destroys the hardwood floor in a kitchen and does no damage to the contiguous hardwood floor in the adjoining family room, the insurer is required to replace both the damaged and undamaged floors so that they match as long as they are in a continuous line of sight.

Some losses are paid on an actual cash value (Actual Cash Value) basis, which in some states means either the fair market value of the property at the time of loss unless the policy Defines Actual Cash Value differently. Many policies will define Actual Cash Value as replacement cost less physical depreciation for age and wear and tear. Some losses are paid out on a replacement cost value (Replacement Cost Value), where the insured is paid the difference between actual cash value and replacement cost value after the insured has actual sums necessary to complete the replacement. You may collect the Actual Cash Value loss immediately and advise the insurer you intend to make claim for the difference between Actual Cash Value and Replacement Cost Value when the structure is rebuilt. If your policy has a time-limit for rebuilding be sure to get a written extension of time since, after a catastrophe, the rebuilding process is often severely delayed.

Many individuals, after a catastrophe, find that the policy they purchased has inadequate limits to cover either the Actual Cash Value or Replacement Cost Value of the loss. In such a situation the adjuster may just pay the full policy limit and move on to another insured. When I was a young adjuster working a wildfire in the Malibu area I was faced with a totally destroyed home whose Actual Cash Value was approximately \$200,000 but was insured with a \$40,000 limit of liability. I met with the insured at the site and immediately issued to him a \$40,000 check. It was not enough to rebuild the house but I could not pay more than the limit the insured chose. Since that day I have been very careful to obtain sufficient insurance coverage to protect my house.

When fire and water-damage reconstruction contractors write estimates for insurance companies they always add at the end of their estimate a sum equal to 10% of the basic contract price for "overhead," and an additional 10% of the basic contract price for "profit." This technique is a fiction that is not believed by contractors or adjusters but provide the contractor with a cushion to be certain the repairs are completed thoroughly and completely.

Knowledgeable construction people know that no contractor could survive on 10% profit and that contractors build overhead and profit into their basic unit costs (paint, plaster, roofing, etc) and add the "profit and overhead" numbers as a fee for the extra service they provide to insurers. In recent years, some insurers have attempted to withhold 20%, an amount equal to the so-called contractor's "profit and overhead" numbers to arrive at an Actual Cash Value amount. There is no basis in the policy that allows withholding profit and overhead as a means of Calculating Actual Cash Value. In fact, Actual Cash Value is defined either as the difference in the fair market value of the property before the loss and the fair market value of the property after the loss or the full cost of replacement using like kind and quality, less physical depreciation.

You should insist that any amounts withheld from payment pending completion of the work, be documented in writing and justified by the adjuster objectively. Policyholder attorneys and some insurance regulators have successfully prevented insurers from withholding these undocumented amounts.

Investigate Contractors

Thoroughly investigate the qualifications, license, and references of your insurance company's approved contractor before agreeing to hire them to perform the repairs. The State Contractors Licensing Board will usually provide the consumer, by telephone or over the Internet, with the contractor's license status and history of discipline. At a minimum, the licensing entity and a reference should be checked before a contract is signed.

You do not have to use or accept the opinions of consultants or contractors recommended or approved by the insurer to perform repairs.

Approved contractors are typically contractors who have agreed to discount their labor and costs and follow insurer guidelines in exchange for a volume of business from the insurance company. If your insurer promises to guarantee the approved contractor's work, the guarantee is generally limited to replacing any defective materials or correcting faulty workmanship. The insurer is not insuring against any contractor delays, negligence, or liability. Accordingly, do not use the approved contractor unless it is a contractor that you would independently hire to do the work after a thorough screening. Check that each contractor's license is valid and for any complaints against the license. Ensure that the contractor is bonded and insured before you allow it to work on your property.

Seek Proper Legal Advice

Never sign a release, waiver, indemnity, "hold harmless" agreement or assignment of benefits, without proper legal advice. If the insurer, adjuster, consultant, or contractor asks you to sign a release, waiver, indemnity, or hold harmless agreement, ask them to explain why in writing. These kinds of agreements can be used to deprive an insured of rights and benefits and may obligate you to pay thousands of extra dollars for issues that arise. Consult a policyholder attorney to determine your rights before signing any such agreement.

Similarly, if a public adjuster or contractor asks you to assign the moneys to be paid by your insurer to the contractor or public adjuster you may be giving away your right to receive the money from your insurer. Always get proper legal advice from a competent attorney before signing any such document.

Seek professional help, if needed. If you reach an impasse with the insurer, document the dispute fully in writing. Explain your position and why the insurance company's position is unreasonable. If the dispute does not require legal advice, you may be able to resolve it by calling the California Department of Insurance at 1-800-387-HELP, or the Department of Insurance in your state, or by hiring a lawyer or public adjuster.

If the dispute does require legal advice, contact a lawyer who is experienced and specializes in representing policyholders. There are many consultants who claim to be "insurance claims experts" who do not have adequate training, skill, or experience. Before you retain one investigate the person diligently by contacting licensing bodies and references.

Be Aware of Deadlines

Make sure you know all the deadlines that may cut off the right to file a lawsuit. California has a four-year statute of limitations for breaches of written contracts but most insurance policies require suit within one or two years of the loss or the denial of a claim. If your claim is denied seek legal advice immediately.

In most states the insurance company is required to tell you, in writing, that the claim is denied, and that the limitations clock is running. That is, if you disagree with the insurer's conclusion to deny your claim you have a limited time to file suit. Make sure you understand all possible deadlines. Consult with a policyholder attorney as soon as possible. The time limitation can be as short as one year from the date the loss occurred and can be put on hold by actions of the insurer. If you wish to sue, it is best to contact counsel as soon as possible before the expiration of the time limit.

Report all Unfair Claims Handling to the Department of Insurance or an Insurance Regulator

The state Insurance Department tracks policyholder complaints about their insurers and compiles the results. Most states have proactive consumer advocates in their insurance departments who will jump in to help you if they believe the insurer is not treating you fairly.

Conclusion

Many insurers involved in Catastrophes provide their adjusters with policy limits authority and instruct the adjuster to be generous. If your house was one of those totally destroyed and coverage is available there is a good probability that you will receive the full policy limits immediately.

If you did not carry sufficient insurance to totally rebuild your house and replace your contents consider the acquisition of a factory built home which can be trucked to your site and completed, with all appliances included, for much less than a conventionally constructed home.

Almost all claims will be handled promptly and fairly. A person knowledgeable about insurance claims can better deal with an insurance company. Don't take advantage of your insurer and don't let an insurer take advantage of you. You are entitled to indemnity. You and your insurer should work together to make you whole.

This article was adapted from Barry Zalma's book, "Zalma on Insurance Claims" and his book "Mold Claims" both available at Amazon.com as Kindle books or paperbacks.