

Weathering Insurance Claims After the Storm

Advising Disaster Survivors
with the
Louisiana Disaster Legal Services Hotline



Serving the Public. Serving the Profession.

After a Major Disaster . . .

The first step for homeowners who have experienced a loss is to **Be Proactive.**



1. Be Proactive

Find Your Insurance Policy

- Know your policy number at the very least
 - Homeowners vs. National Flood Insurance Program
 - Wind/fire/flood
- Content v. Structure-look at limits/deductible if you have policy
- What are the policies for submitting a claim?
 - For example, NFIP requires that you submit a Proof of Loss form within 60 days of flood.
 - Are there specific forms to be used?
 - Is there any immediate assistance available under the terms of the policy?

1. Be Proactive

Contact your insurance agent/company right away

- Notify them that you are making a claim
- Give them your policy number and ask them to open a claim.
- Ask what they will need from you—and ask about immediate assistance
- The company should provide you with a Claim Number and then contact you to have an adjuster evaluate your damages.
- The process does not get fully under way until an adjuster sees your property, so try to make that happen quickly.

Throughout the Process. . .

Don't forget to **Document Everything.**



2. Document Everything

Document Conversations

- Keep a record of every phone call and email communication, including the name and title of the person you spoke with, the time and day, as well as a summary of the conversation.

2. Document Everything

Document your Loss

- Take photographs and video of losses as soon as possible.
 - This will help you prove your claim.
 - Identify structural damage to the home, as well as damages to personal property inside the home.
- Make a list, or inventory, of everything that was damaged. Include the value of each item and receipts if they can be located.
 - If you cannot take photo or video, work from your memory, mentally walking through each room and making a list of everything in the house you can remember

2. Document Everything

Document Estimates

- Get written bids from licensed contractors.

Document Expenses

- If you need to relocate, keep your receipts. Many homeowners insurance policies cover the cost of additional living expenses if your home is damaged by an insured disaster.

Don't Let Things Get Worse . . .

Homeowners have a responsibility to take reasonable steps to **mitigate damages.**



3. Mitigate Damages

Make Basic Repairs As Soon As Practicable

- The homeowner is responsible for taking reasonable steps to prevent further avoidable damages after the initial incident-but let the adjuster know what you plan and why.
 - Simple things like putting a tarp on the roof and covering broken windows will help ensure that damages don't get any worse.
 - After you've taken your photos and made an inventory, take water damaged items outside to avoid mold.

Time to Prove Your Claim . . .

Gather your documentation and
**Prepare for the Insurance
Adjuster.**



4. Prepare for Insurance Adjuster

Your insurance company should schedule an in-person visit with an adjuster.

- This may take several weeks after a major disaster like a hurricane.

An adjuster is a person professionally trained to assess the damage

- Remember, the adjuster works for the insurance company.

Be there in person for the walk-through of your home.

- Help point out the damage to the home and personal property.
- Provide the adjuster with your property inventory and receipts.
 - The more information you can provide, the more likely your claim will be settled quickly.

With Documentation in Order . . .

It should be easy to **Settle your Claim**, right?



5. Settling your Claim

The insurance company will make an offer to settle your claim.

Read their offer carefully, and consider:

- How are they interpreting your policy?
- What damages will be covered?
- How are they valuing the damages?
- Will they accept your contractor's estimate?
- Are they denying your coverage?

Stay on top of your claim.

- Follow up with your adjuster to keep things moving. Be courteous and persistent.

Sometimes Settlement is not that Easy . . .

A homeowner may need to
Get Help with a Claim Problem.



6. Getting Help with a Claim Problem

Major disasters can make enormous demands on insurance company personnel.

- They may try to make rough estimates to settle claims as quickly as possible.

You don't have to accept the insurance company's settlement offer, and you may be entitled to a second opinion.

- If you are having trouble getting an appropriate settlement, seek some assistance.

6. Getting Help with a Claims Problem

Find out the insurer's procedure for contesting a claim settlement and making appeals.

- Try to negotiate with your insurance company. See if they will help your contractor lower his bid to repair the home.
- But don't settle for less than you deserve.

6. Getting Help with a Claims Problem

Contact your State Insurance Department for assistance.

- In Louisiana, contact the Louisiana Department of Insurance at:
 - 1-800-259-5300;
 - In Baton Rouge: 225-342-5900;
 - On the Web: www.lidi.la.gov;
 - Or by email: public@ldi.la.gov.

6. Getting Help with a Claims Problem

Request an independent appraisal

- An appraisal is a very specific procedure that will be defined by your policy. It involves a third-party that will make a determination of the value of your loss.

Request Mediation

6. Getting Help with a Claims Problem

“Public Adjusters”-these are not lawyers, although sometimes they try to behave like lawyers.

- These adjusters are private companies that charge a percentage of your payout (typically 10% to 15% of the amount recovered).
- Use of P.A.'s is controversial with insurers
- If you decide to use a public adjuster, make sure they are licensed, check their references and qualifications through the Department of Insurance and the National Association of Independent Insurance Adjusters (www.naiia.com).

6. Getting Help with a Claims Problem

Explore Other Options

- If some of your damages aren't covered, and you live in a federal disaster area, you may qualify for:
 - FEMA grants and assistance-remember that recovering for the same things from insurer and FEMA is a problem
 - SBA Loans (even if you don't own a business)
 - Tax breaks for uninsured casualty losses.
- Find out more at DisasterAssistance.gov or at your local FEMA Disaster Recovery Center.
- You have one year from the date of the disaster to sue.

Summary

1. Be Proactive in Opening Your Claim
2. Document Everything
3. Mitigate Damages
4. Prepare for Insurance Adjuster
5. Settle your Claim
6. Get Help with Claim Problems, Negotiate and Explore your Options

QUESTIONS?

Thank You!