

## CONSUMER ALERT—REBUILDING AFTER A LOSS

### *Managing the Claims Experience*

*The process of rebuilding your home following a loss can be long and laborious. You may have to navigate the insurance claims process before you can begin. The Idaho Department of Insurance knows that people are often confused and stressed by the claims process. This summary can help you manage the experience.*

#### Filing a Claim

- Call the company or visit a mobile claims center to start your claim. If you cannot locate the company or agent's number, call the Idaho Department of Insurance, 334-4250 in the Boise area or 800-721-3272 toll-free statewide.
- Your insurer will need an accurate account of the destruction. Before moving any debris or removing damaged belongings, be sure to take photos or video of the damage. Make a list to document these losses. If possible, save damaged items for the representative from your insurance company to review. You should also take reasonable steps to avoid further damage to your home.
- Most insurance companies have a time requirement for filing a claim. When you call to report the loss, be prepared with your policy information, current contact information and your home inventory if you have one.
- A homeowners policy only covers damage to your home and its contents, and a renter's policy only covers belongings. If your car was damaged, a separate claim will need to be filed with the auto insurer.
- A typical homeowners or renter's policy does not cover flood damage. If you have a policy with the National Flood Insurance Program (NFIP), contact your agent or insurer to file a claim for that policy as well. Damage from a storm surge is considered flood damage.

#### The Claims Adjuster

- **Company adjusters** are direct employees of your insurance company. In most cases a company adjuster is going to be the first person to survey the damage to your home. A company adjuster will not charge you for the assessment.
- **Public adjusters** work for you, the insured, not the insurance company. They are paid from the proceeds of your claims settlement, typically as a percentage of the total amount you receive. Before hiring a public adjuster, be sure they are licensed and ask for references and qualifications and get a copy of service fees in writing. You may choose to hire a public adjuster if the claims settlement you get from your insurance company does not meet your expectations. The public adjuster will work with the company to try to negotiate a better settlement.

#### The Claims Process

- After you have filed your claim, the insurance company will send a claims adjuster to your home to assess the damage. The company adjuster will want to see all the damaged items you have removed from the home and any photos or video you have of things you removed to make the home safe. Generally, the more information you can provide the adjuster about the loss, the faster the claim can be settled.
- The company adjuster will walk through your home to look at the damage. If your home was damaged in a storm, the adjuster may also want to examine the outside of your home, your roof or your basement.
- The claims adjuster will provide the documentation and assessment of the loss to your insurance company to help determine your claims settlement.
- If the insurance company does not respond promptly to your claim, call the claims department and find out if an adjuster has been assigned. Verify that they have your correct contact information – especially if you have had to evacuate your home. Call the Department of Insurance if you do not think your insurance company is responding quickly enough or completing a reasonable investigation of your claim.

- If disagreements arise between you, the insurer and the adjuster, first try to resolve them with your insurer. Do not feel rushed or pushed to agree with something you are not comfortable with. Meeting with the contractor and the insurance adjuster together might be helpful. If you cannot reach an agreement with the company, call the Department of Insurance to see if you have an arbitration or mediation option.
- If you choose to hire one, a public adjuster will review your insurance policy and then go through the same process of documenting and assessing the loss to your home.

### **Payment of the Claim**

- When it comes to paying your claim, you may receive multiple checks. The first will likely be an emergency advance on the larger payment. The payment for the contents or personal property will be made out to you. However, if you have a mortgage on your home, the payment for structural damage may be payable to you and your mortgage holder. Lenders may put that money into an escrow account and pay for the repairs as the work is completed.
- If the contractor finds hidden damage that was not discovered in the original assessment, contact your insurance company to resolve the difference. The adjuster and the contractor may choose to meet at the house to review the newly discovered damage. If you cannot resolve the difference, contact the Department of Insurance to see what recourse you have.
- Even after you have settled your claim, if you think of items that were not in your initial loss list, contact your insurance company. Unless it has paid the entire limit for the coverage of those types of items, the company may cover the loss.
- In major disasters federal agencies provide grants and low-interest loans to assist with recovery. Check with the local disaster center or your state insurance department for more information if your loss exceeds the insured value of your home.

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