

## 9 signs that you should kick a public insurance adjuster to the curb

By: Tamara E. Holmes, InsuranceQuotes.com

Filing a claim for a major insurance loss can take a lot of time and energy, with such tasks involved as filling out paperwork, negotiating with contractors and ensuring that damages are assessed properly. If you're not up for the task, an insurance adjuster can help you prepare, file and adjust a home insurance claim.

There are three types of insurance adjusters. Your insurance company will hire one to assess damages before paying out a claim. Independent insurance adjusters are professionals who can be hired by either an insurance company or a consumer. Public insurance adjusters never work for insurance companies; instead, they work only for consumers.

"A public adjuster can offer a consumer a big advantage," says James Quiggle, a spokesman for the nonprofit **Coalition Against Insurance Fraud**. "They represent the claimant and nobody else, and using one can increase your chances of getting a larger claim."

But buyer beware: There are bad apples in every bunch.

"Most public adjusters are honorable and ethical, but a disturbing percentage will gladly bilk their clients and the insurer to hike their own fees from the claim transaction," Quiggle says.

Here are nine signs that your public insurance adjuster doesn't have your best interests in mind.

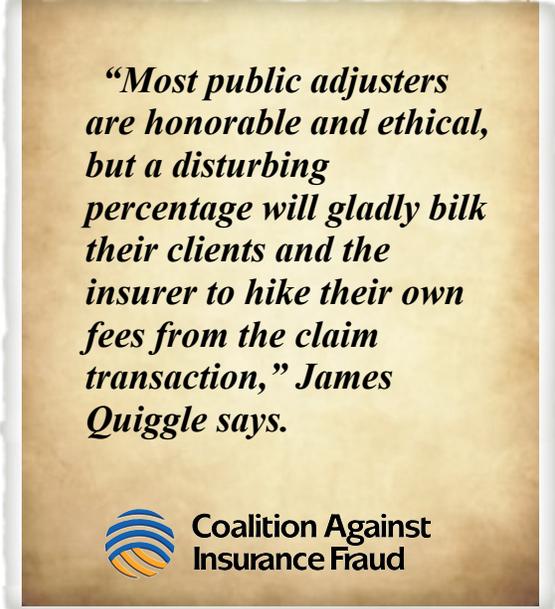
1. He's not licensed.

In 45 states plus the District of Columbia, the government's insurance regulator requires adjusters to be licensed. Unless you live in Alaska, Alabama, Arkansas, Wisconsin or South Dakota, you can call your state insurance department before hiring an adjuster to make sure he or she is licensed in your state, says Vickie Trice, director of consumer insurance services at the Tennessee Insurance Division. "We want to make sure that who they're dealing with is a reputable person," Trice says.

2. He's doing double duty as a contractor.

Some states allow public insurance adjusters to also work as contractors, but "we view this as a conflict of interest," says David Barrack, executive director of the National Association of Public Insurance Adjusters, a trade organization. Why? "They could direct business toward their contracting services," he says.

Consumers should look for someone who can objectively assess damage and help them with the home insurance claims process but who's not



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 Coalition Against Insurance Fraud

benefiting from the contracting as well. Even if your adjuster isn't moonlighting as a contractor, if he or she insists on using a certain contractor, this could be a sign that the contractor and adjuster are trying to inflate the claim, Quiggle says.

3. He demands a large upfront payment.

Public insurance adjusters typically get paid about 10 percent of your insurance settlement. If the figure you're given is significantly higher – such as 25 percent of the settlement – consider that a red flag, Quiggle says. Also, it's important to note that payment generally takes place once the settlement has been paid out, so if an adjuster is asking for an upfront fee, look at taking your business elsewhere, Barrack says.

4. He's trolling for claims.

You know when you've sustained damage and need to file a home insurance claim. However, if a public insurance adjuster contacts you out of the blue and says you may be entitled to claims you don't know about, run the other way. "Trolling indiscriminately for claims where no obvious claim exists is a strong red flag," Quiggle says.

5. He's from out of state.

While it's not unusual for public adjusters to flock to other states, particularly after major disasters, there's a benefit to working with someone who's from your community.