

What Is a Public Insurance Adjuster and Why You May Need One After a Storm

Dealing with the aftermath of Hurricane Harvey will include contacting your insurance company to begin the process of assessing the damages to your home and automobiles for the purpose of filing a claim. That process, however, can become complicated after a wide-reaching storm.

Insurers likely will be inundated in the coming weeks and months as flood victims return to their homes and try to rebuild their lives.

Home insurance claims for hurricanes, floods and windstorms can be filled with red tape and headaches. That's why some homeowners hire public insurance adjusters to help cut through that red tape and alleviate those headaches.

"It is not uncommon for property owners to experience a disaster after the disaster," says Clay Morrison, president of the property loss consulting firm of Morrison & Morrison, Inc. based in League City, Texas.

For instance, an adjuster may treat a claim as a partial repair when he or she should have totaled the property for a complete loss.

Also, property owners can experience insurance claim delays, disputes or denials. That's when it's helpful to contact a professional public adjuster.

"Don't dig the hole that you're in any deeper than it already is," advises Morrison, whose city was flooded by Harvey. "Get a professional public adjuster who represents only you before you harm your position in the claims process even further."

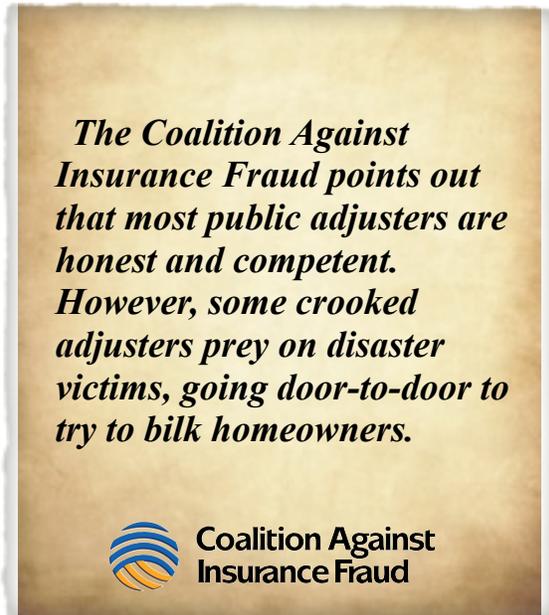
To help you better understand the role of a public adjuster, insuranceQuotes put together some FAQs on the topic.

What is a public insurance adjuster?

A public adjuster works for you, not the insurance company. Your home insurer pays its own adjusters — either in-house or independent — to figure out how much the insurance company should pay for your loss. The insurance company offers its adjusters at no cost to you.

Michael McManigal, owner of Florida Loss Public Adjusters, Inc., says a public adjuster will file your claim with the home insurance company, prepare a written repair estimate and negotiate with the insurer's adjuster on a claim payout. How much does a public adjuster charge?

A public adjuster is paid by the policyholder once the insurance company has paid a claim. The fee normally ranges from 10 percent to 15 percent of your claim payout; the percentage usually is



capped by state insurance regulators. Hayman says the fee may be negotiated higher or lower, depending on the size of the claim.

In most states, public insurance adjusters are licensed and regulated. To find a reputable public adjuster, contact the National Association of Public Insurance Adjusters for a list of adjusters in your state. Also, call your state insurance department to check out an adjuster's qualifications (or the insurance department in the state where an adjuster is from).

The Insurance Information Institute suggests asking your insurance agent, your lawyer, your friends and your co-workers for names of public adjusters they would recommend.

The Coalition Against Insurance Fraud points out that most public adjusters are honest and competent. However, some crooked adjusters prey on disaster victims, going door-to-door to try to bilk homeowners.

Among the schemes that shady adjusters employ are charging a large fee, then vanishing without handling your claim; referring your repair to a dishonest contractor for a kickback; and filing false or inflated claims.

Can I cancel a contract with a public adjuster?

In most cases, you can cancel a contract with a public adjuster; the agreement should spell out the adjuster's fees.