

# Six Steps in Making an Insurance Claim<sup>1</sup>

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## Step One: Contact Your Agent Immediately

- Give your name, address, policy number, and the date and time of your loss.
- Make sure to tell your insurance agent where you can be reached, especially if you are unable to stay in your home.
- Follow up the call with a letter detailing the problem. Keep a copy of the letter.
- Your insurance agent will arrange for an adjuster to visit your property and assess the damage. Be sure the adjuster is properly licensed. In Florida, call the Department of Financial Services Consumer Help Line, toll-free, at 1-877-693-5236. If you are not in Florida, check online or in a phone book for your state's insurance consumer help line.

## Step Two: Carefully Document Your Losses

**Safety first!** Before entering a building, always check for structural damage. Do not go inside the building if there is any chance of the building collapsing. Be careful walking around inside and outside the building. Upon entering the

building, do not use open flames since gas may be trapped inside the building. Instead, use your flashlight to light your way. Keep power off until an electrician has inspected your system for safety.

- Make a detailed list of lost or damaged property.
- Videotape and/or photograph damaged property before beginning any repairs.
- Do not throw away damaged property without your adjuster's approval.
- Try to document the value of each object lost. To help value lost objects use bills of sale, canceled checks, charge account records, and insurance evaluations. If you have no such records, estimate the value, and give purchase place and date of purchase. Include this information with your list.
- List cleaning and repair bills, including materials, cost of rental equipment, and depreciation of purchased equipment.
- List any additional living expenses you incur if your home is so severely damaged that you have to find other accommodations while repairs are being made (this includes motel bills, restaurant bills, home rental, and/or car rental).

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## Step Three: Protect Your Property from Further Damage or Theft

- If there is roof damage or broken windows make sure to make temporary repairs. Cover damaged roof areas with tarps and cover broken windows with boards or plastic.
- If household furnishings are exposed to weather, move them to a safe location for storage.
- Remember the documentation from Step Two! Save receipts for what you spend and submit them to your insurance company for reimbursement.
- If your home has been flooded, protect your family's health by cleaning your home right away. Floodwaters pick up sewage and chemicals from roads, farms, and factories. Throw out food and medicine that may have come into contact with floodwater. Dry out water-damaged furnishings and clothing as soon as possible to prevent fading and deterioration.

## Step Four: Working with Adjustor

- Your insurance agent will arrange for an adjustor to visit your property and assess the damage. Be sure the adjustor is properly licensed. In Florida, call the Department of Financial Services Consumer Help Line, toll-free, at 1-877-693-5236. Check online or in a phone book for your state's insurance consumer help line.
- Be sure that you or a trusted advisor is present when the adjustor visits the site.
- Work with the adjustor. It is the adjustor's job to assist you and review your claim. The adjustor will inspect your list of lost or damaged property. The adjustor will work with you to calculate the value of the items on the list and prepare a repair estimate of damage to the property.
- You and your adjustor need to come to an agreement as to the scope of damage, which is an agreement as to *what* needs to be repaired or replaced without a dollar amount.
- Make sure you know what needs to be done to follow up on this agreement and why. If you do not understand what needs to be done, ask the adjustor for instructions in writing.

## Step Five: Settling Your Claim

- You may settle personal property and structural claims at separate times, although your adjustor may suggest that you file the claims together. Filing the two types of claims separately allows you to take the time needed to determine the full extent of your losses.

- Do not be in a hurry to settle your claim. Wait until you have discovered all the damage before filing a claim.
- If you are dissatisfied with the settlement offer, talk things over with your agent and adjustor.
- If you and your adjustor cannot reach a settlement, you may obtain mediation through your state's department of insurance. Mediation is an informal process where a neutral third party helps the parties resolve the dispute. If you are in Florida, call the Department of Financial Services Consumer Help Line, toll-free, at 1-877-693-5236 for information on mediation or other methods of dispute resolution. Check online or in a phone book for your state's insurance consumer help line.

## Step Six: Repairing Your Home

- You or your insurance company may contract for the repair of your home. Make sure the contractor is a reputable firm that is both licensed and insured. You can find out whether the contractor holds a proper license by contacting your state's department of business regulations. In Florida, contact the Department of Business and Professional Regulation online, or call 1-850-487-1395 (this is not a toll-free number).
- Beware of door-to-door sellers when choosing a contractor to make repairs. Sometimes un dependable workers enter a damaged area, make cheap repairs, and leave before the residents discover that the repairs are inadequate. If your local contractor cannot do the work, ask the contractor to recommend someone.
- Get a written estimate that includes any oral promises the contractor made. Always ask if there is a charge for an estimate before allowing anyone into your home.
- Your insurance company may initially pay you a sum equal to the actual cash value, unless you request minimal repairs. The company will withhold the balance of the full replacement cost until after you complete the repairs.

## Sources for This Publication

Tips on Filing Your Flood Insurance Claim. Federal Emergency Management Agency (FEMA). Access online at: <https://www.fema.gov/nfip-file-your-claim>

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