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Pro Bono Training Online, On Your Time.



Best Practices for Assisting Disaster-Impacted Clients with Insurance Matters – Part 2

Presented by:
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United Policyholders



United Policyholders (UP)

- Reputable, established 501(c)3 not-for-profit charitable organization, Platinum Guide Star rating
- A trusted information resource and respected voice for insurance consumers in all 50 states
- 30 year track record and expertise in disaster recovery
- Not for profit...not for sale
- Funded by donations and grants





United Policyholders (UP)

Professional staff

Government and nonprofit partners

Volunteers

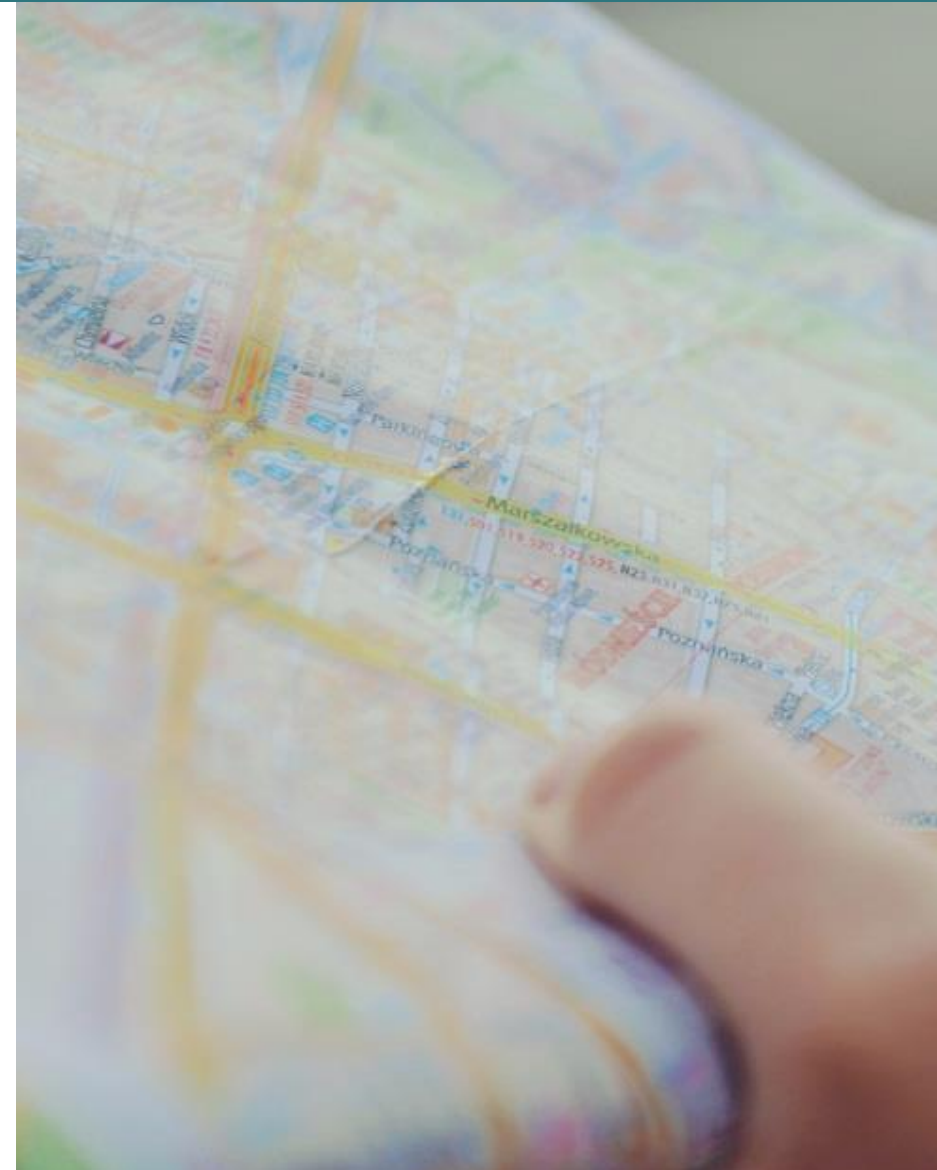
- Survivor to Survivor - previous catastrophic loss survivors paying it forward
- Consumer oriented professionals
 - Damage and repair/rebuild cost estimators
 - Lawyers
 - Public Adjusters
 - Tax and Financial Planning experts
 - Construction and Real Estate professionals

After this learning experience, trainees will:

- Be familiar with insurance contract, regulatory and law basics.
- Have an understanding of best practices for advising or referring disaster-impacted clients.



- Special Post Disaster Rules
- Estimating Dwelling Losses
- Disputes/Resolutions/Representing

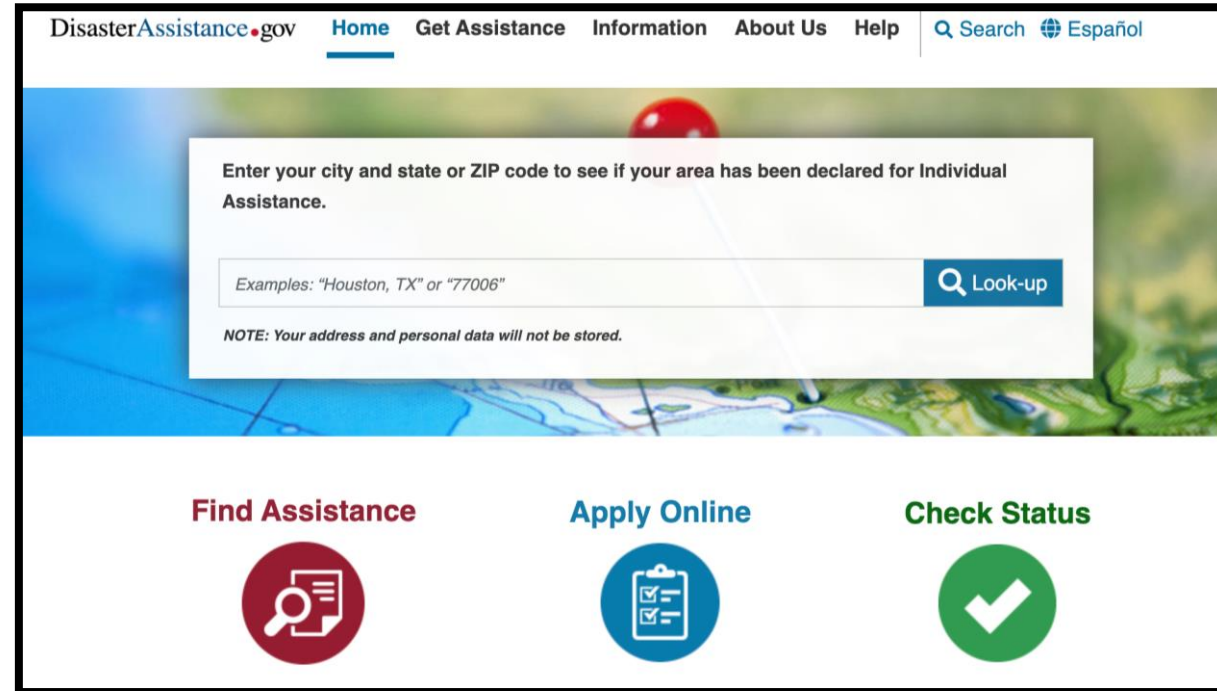




Special Post-Disaster Rules



State of Emergency/Disaster Declaration



Federal, State and Local Designation DisasterAssistance.gov



Special Post-Disaster Rules (CA)

Time to Collect Full Replacement Cost

- 36 months

Time to Collect Additional Living Expenses

- 24 months + 12 month extension (if insured acting in good faith and with reasonable diligence encounters delay) for a total of 36 months

Rotating Claims Adjusters

- If, within a 6-month period, an insurer assigns 3+ claims adjusters, an insurer shall establish a primary point of contact for the insured and provide one or more direct means of communication



Special Post-Disaster Rules (CA)

Suits

- Time limit to bring suit is extended to 24 months after inception of the loss + tolling

Ability to Combine Coverages

- If limits for coverage to rebuild or replace the primary dwelling are insufficient, an insured may combine payments for claims for losses up to the policy limits for the primary dwelling (cov. A) and other structures (cov. B)

- Public Adjusters
- Construction cost estimators
- Restoration/Remediation Specialists
- Contractors/Builders
- Indoor Air Quality/Industrial Hygienists
- Forensic Experts/testing/labs
- Policyholder Attorneys



- United Policyholders' Roadmap to Recovery program
- Local building dept., tax assessor records
- Original dwelling plans
- Professionals offering pro bono help
- State DOI
- FEMA, SBA, OES
- Charitable, non profit builders





Estimating Dwelling Losses



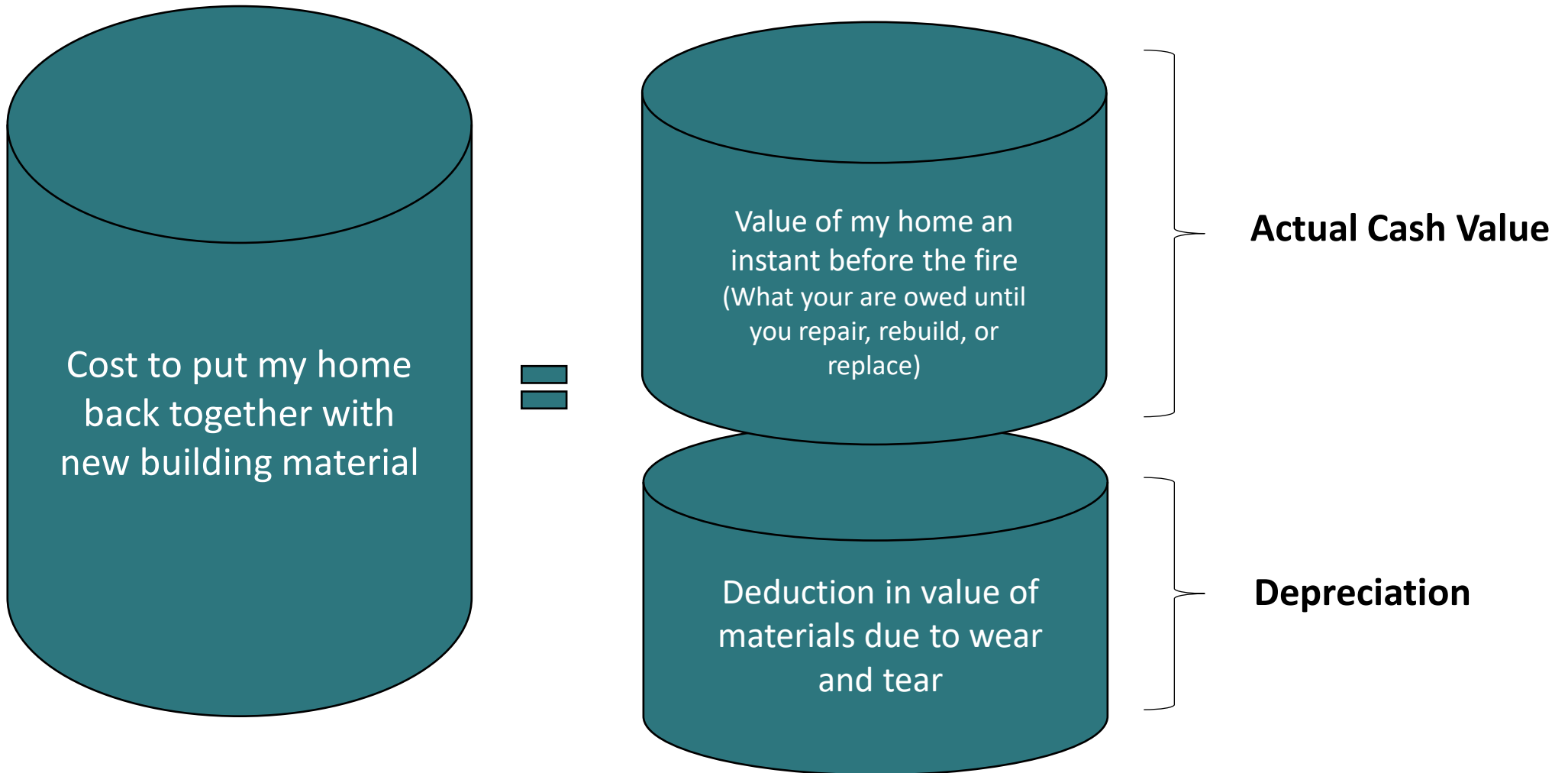
Xactimate vs. Real Life

- Xactimate estimates look fancy and comprehensive, but only accurate if scope was properly defined and all pricing is current and local
- Most construction professionals base their estimates on drawings, plans, sub-bids

Electrical		Height: 1'					
	4.00 SF Walls				1.00 SF Ceiling		
	5.00 SF Walls & Ceiling				1.00 SF Floor		
	0.11 SY Flooring				4.00 LF Floor Perimeter		
	4.00 LF Ceil. Perimeter						
DESCRIPTION	QTY	UNIT PRICE	TAX	O&P	RCV	DEPREC.	ACV
DWELLING							
28. Circuit breaker - main disconnect - 150 to 200 amp	1.00 EA	207.63	11.72	43.86	263.21	(0.00)	263.21
29. Phone/low voltage outlet rough-in	10.00 EA	51.58	4.23	104.00	624.03	(0.00)	624.03
31. PVC schedule 40 conduit, 2"	40.00 LF	6.82	2.90	55.14	330.84	(0.00)	330.84
32. Television cable outlet	7.00 EA	70.25	10.93	100.54	603.22	(0.00)	603.22
33. 2/0 gauge copper cable	120.00 LF	4.76	27.74	119.78	718.72	(0.00)	718.72
35. Wire - average residence - copper wiring	3329.65 SF	5.21	313.03	3,532.10	21,192.61	(0.00)	21,192.61
36. Exterior outlet or switch	8.00 EA	20.65	4.97	34.04	204.21	(0.00)	204.21
37. Monitered security system - contact w/wire (per opening)	28.00 EA	108.23	35.98	613.28	3,679.70	(0.00)	3,679.70
NOTE- Existing security system was pre-wired whole house system with sensors on each exterior window and door							
38. Intercommunication - speakers	9.00 EA	292.12	104.02	546.62	3,279.72	(0.00)	3,279.72
NOTE- Intercom system was installed in each bedroom, kitchen, garage and front door							
BUILDING CODE UPGRADES							
26. 220 volt exterior wiring/conduit, box, outlet, switch	1.00 EA	435.69	10.50	89.24	535.43	(0.00)	535.43
NOTE- This is a building code upgrade requirement to pre-wire for future electric vehicle charging							
27. Breaker panel - 200 amp w/arc fault breakers	1.00 EA	2,169.58	106.63	455.24	2,731.45	(0.00)	2,731.45
30. PVC schedule 40 conduit, 1 1/4"	60.00 LF	5.25	3.16	63.64	381.80	(0.00)	381.80
NOTE- This is a building code upgrade to pre-wire for future roof mounted solar panels							
34. #8 gauge copper wire - stranded or solid	180.00 LF	1.07	5.43	39.60	237.63	(0.00)	237.63
NOTE- This is a building code upgrade to pre-wire for future roof mounted solar panels							
Dwelling Totals:			515.52	5149.36	30,896.26		30,896.26
Building Code Upgrades Totals:			125.72	647.72	3,886.31		3,886.31
Totals: Electrical			641.24	5,797.08	34,782.57	0.00	34,782.57



Claims Adjustment Process – Depreciation/Holdbacks





Duties of Insurer/Insured

Insurers

- Duty of Good Faith and Fair Dealing
- Timely, in compliance with regs/laws/policy
 - Investigate
 - Communicate
 - Process Claim, pay or deny

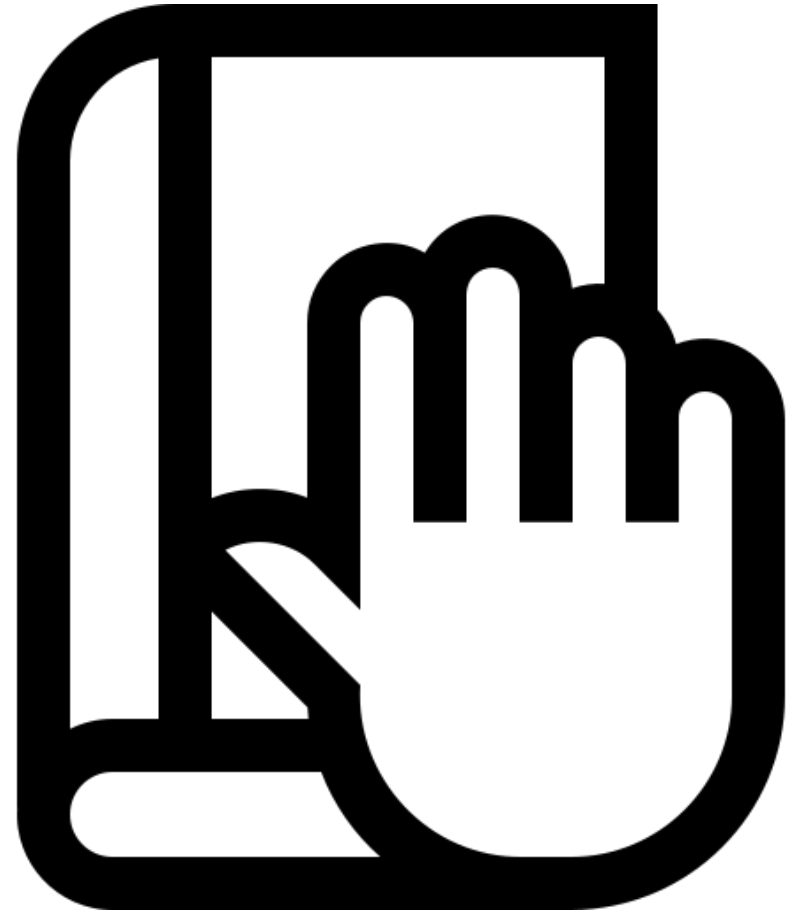
Policyholders

- Duty to cooperate, provide reasonable POL
- Prompt notice of loss, allow inspections, give recorded statement, submit to EUO



Recorded Statements/Examinations Under Oath

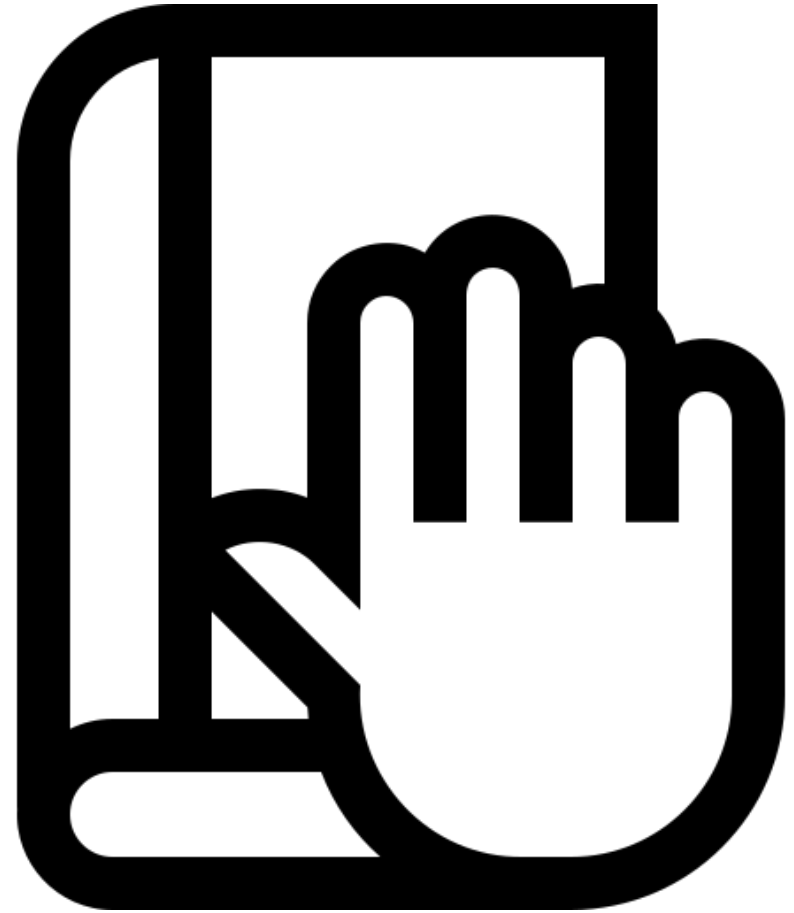
- Most policies contain an examination under oath section
- The insurer has given itself the right to question you “under oath” about the details of the loss/claim.
 - “Under oath” means you legally swear that your answers are truthful





Recorded Statements/Examinations Under Oath

- Used to screen out fraudulent claims and test an insured's credibility
- A homeowner who makes a claim for policy benefits must cooperate when an insurer makes a reasonable request to examine them under oath or risk losing the right to recover the funds they're entitled to.





Disputes/Resolutions/Representing

Reaching Partial and Final Settlements

- Continuing Duties
- Keep eye on Statute of Limitations
 - Tolling
- Managing other claim deadlines





Dispute Resolution Options

Negotiation

- Self-help/professional

Mediation

- Private/voluntary/court-ordered

Appraisal

- Most policies allow appraisal for disputes of amount/value of a loss

Arbitration

- Can be faster and cheaper than litigation, but no jury

Litigation

- Filing a lawsuit

- Pro Bono
- Hourly
- Contingency Basis
- Referrals



Filing Suit Against an Insurer/Agent/Broker

- Know thy limits
 - Literally (policy limits)
 - Professionally
- Insurance coverage/claim dispute pleading and practice are a specialty





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Thank you for joining us

Have a nice day!