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CONSUMER ADVISORY BULLETIN

PUBLIC INSURANCE ADJUSTERS ARE LICENSED & TRAINED INSURANCE PROFESSIONALS WORKING FOR YOU

Public Adjuster Regulation - DID YOU KNOW?

Currently, 46 states (and the District of Columbia) have in place some form of statutory and/or regulatory licensing of public adjusters. The 5 states that do not are: Alabama, Alaska, Arkansas, South Dakota, and Wisconsin. Wisconsin does regulate claim consultants. It is also important to note that in 2005 the National Association of Insurance Commissioners (NAIC) adopted the Public Adjuster Licensing Model Act (PALMA), which governs the qualifications and procedures for the licensing of public adjusters. This ensures that there is a specific level of competency and professionalism in the field for the protection of consumers. Florida has adopted nearly every provision, more than any other state, of PALMA.

Public Adjusters play an increasingly important role in the insurance claim process

The public adjuster's main responsibilities are to:

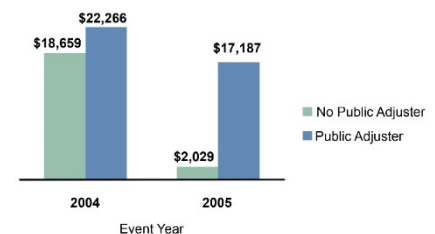
- Evaluate existing insurance policies in order to determine what coverage may be applicable to a claim
- Research, detail and substantiate damage to buildings and contents and any additional expenses
- Evaluate business interruption losses and extra expense claims for businesses
- Determine values for settling covered damages
- Prepare documents and support the claim on behalf of the insured
- Negotiate a settlement with the insurance company on behalf of an insured
- Re-open a claim and negotiate for more money if a discrepancy is found after the claim has been settled

Florida [Office of Program Policy Analysis and Government Accountability Report on Public Adjusters](#)

Published in January 2010. It was also established that policyholders who did not use the services of a qualified public adjuster received, on average, 547% less on their claim payments for daily claims and over 700% less for catastrophic losses. These were all fairly negotiated payouts based on the true terms of recipient's policies, helping not only to rebuild their homes but also their lives – the purpose of insurance.

Exhibit 6 Public Adjuster Representation Typically Resulted in Larger Payments to Policyholders

Source: OPPAGA analysis. Data refers to the median (50th percentile or typical) payment



About The Florida Association of Public Insurance Adjusters (FAPIA)

FAPIA was founded in 1992 to protect residential and business policyholders in the wake of devastating Hurricane Andrew in South Florida. Today FAPIA consists of nearly 500 member public adjusters who are committed to ensuring homeowners who suffer an insured loss receive full and fair compensation from their insurance carriers. FAPIA members are located throughout the state and commit to a strict code of ethics as well as continuing education requirements to ensure policyholders receive the best representation. FAPIA is an advocate for the consumer and for its members, working to grow and enhance the industry by improving laws and regulations that govern public adjusters and their services to policyholders. For more information visit: www.fapia.net