

Homeowner's claims settlement

Most people will never file a claim under their homeowner's policy. But if you do have to file a claim, it is important to understand the process and your rights and responsibilities.

- ❑ Report loss or damage to your insurance agent or company as soon as possible.
- ❑ Take precautions if the damages require you to leave your home: Secure your property, and lock all windows and doors.
- ❑ Survey the damages and take photos or videos of damaged areas, if possible, and make them available to your insurance company.
- ❑ Make temporary repairs to protect your home and personal property from further damage. If you make permanent repairs before the insurance company inspects the damage, your claim may be denied. Keep all receipts and take photographs of the damage, before and after emergency repairs, to submit with your claim. You may be reimbursed for the expenses associated with temporary repairs.
- ❑ Study and know your policy limits and coverages. If you do not understand your coverage, ask your insurance agent or company representative to explain. If your policy was destroyed in your loss, contact your insurance agent or company to get a replacement copy. There may be a nominal charge for another copy of the contract.
- ❑ In some cases, the insurance company will require you to complete a claim form. You will be asked to estimate the actual cash value of the items you lost and the cost to repair the damage to your home. If you have replacement cost coverage on your house and/or contents, you may need to include an estimate of the costs to make repairs with new materials and/or replacement items. If you have maintained a household inventory, this process will be much easier. Find out from the insurance company if you should include sales tax in the cost estimates, and whether you should use exact costs.
- ❑ The insurance company will assign an



- adjuster to assess damage to your property and estimate the cost of repair. If you don't hear from your adjuster in a reasonable length of time, contact your insurance agent or company again. Be present when the adjuster inspects your property.
- ❑ The settlement, which is the amount of money the insurance company offers for your loss, is based on the adjuster's estimate. If you disagree with the estimate, contact the insurance company to explain your reasoning. The company may be willing to make adjustments, or you may hire a contractor or other professional so you can obtain your own estimate.
 - ❑ Beware of fly-by-night contractors. Get more than one bid, and hire a local, reputable contractor to do the repair work.
 - ❑ Make sure a written agreement between you and your insurance company has been signed before starting repairs.

An insurance company has 30 days to complete an investigation of your claim. If the company isn't finished in 30 days, it must provide a reasonable explanation. There are no provisions requiring a company to pay your claim within a certain amount of time.