
Tips for Homeowners with Property Claims

By Ben Steverman - Nov 1, 2012

Armies of insurance claims adjusters are descending on the northeastern U.S. in the wake of Hurricane Sandy. Their task: Assess an estimated \$7 to \$8 billion in [insured losses](#) (out of more than \$20 billion total) caused by the storm, according to Kinetic Analysis Corp. Allstate alone has 1,100 adjusters and other staff in the field, says company spokesman Justin Herndon.

Bloomberg.com asked two independent insurance experts for tips for homeowners facing property damage. Advice came from Ron Papa, a public insurance adjuster at the National Fire Adjustment Company, and Robert Rusbuldt, chief executive officer of the Independent Insurance Agents & Brokers of America:

1. First Moves

You don't need to wait for the insurance company to make crucial temporary repairs. If you need to put a tarp on a leaky roof or board up a busted window, do it. However, keep receipts for all your costs.

Also, don't make any permanent repairs until you've documented the damage and received approval from your insurance company.

2. The Need for Patience

Here's the good news, Papa says: Even in natural disasters, insurance companies often do a good job of quickly reaching homeowners who have reported property damage and getting them initial, partial payments. Here's the bad news: "Getting the final settlement is a more laborious task."

3. Document it All

Take pictures of everything. "It makes the claims process go much quicker," Rusbuldt says. You'll need to document all conversations with insurance representatives, and keep copies of all receipts and pictures you hand over to them. Paperwork gets lost as insurers typically bring in several successive waves of adjusters from elsewhere in the country. "You may need to educate a rotation of adjusters before a claim is brought to closure," Papa says.

4. Watch for Scams

Shady contractors are "the number one problem" facing natural disaster victims, Rusbuldt says. Contractors try to quickly sign up homeowners eager to rebuild, often charging unreasonable rates for shoddy work. Instead, homeowners should look for reputable builders and only hire them after a final insurance settlement is approved.

5. Power Loss

With more than 6.2 million still [in the dark](#), most of the damage caused by widespread power outages won't be covered by insurance policies. However, your outage is more likely to be covered if it was caused -- or could have been caused -- by damage to your own property, Papa says. For example, a tree may have knocked down the power lines connecting your house to the street.

6. Opening the Freezer

If you are covered, it may pay off to document all the food that's rotted in your refrigerator or freezer. "You'd be shocked how quickly a food loss adds up," Papa says. That said, don't open your freezer until you're ready, he urges: The smell is likely to be revolting.

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