

THE STATE



OF WYOMING

**Matthew H. Mead**  
Governor

## *Insurance Department*

**Tom Glause**  
Insurance  
Commissioner

106 East 6<sup>th</sup> Avenue ♦ Cheyenne, Wyoming 82002

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Wyoming has recently been hit with severe storms containing large hail and tornados. Listed below are some tips and information for affected residents. If you have questions or concerns about the damage to your property and your policy, contact your insurance company or the Wyoming Insurance Department at 1-800-438-5768 or online at <http://doi.wyo.gov>.

### **A major disaster has hit my area and my home and/or personal property are damaged. What should I do?**

- Wait to return to your home until it's safe. In many disasters, the authorities won't let you return if there are hazards such as downed power lines or ruptured gas lines. This is for your safety.
- Once the authorities say it's safe for you to return, check for hazards such as broken glass and sharp objects and remove them before entering.
- Once you've returned, take steps to prevent further damage. Make needed emergency repairs, such as covering roofs, walls, or windows with plywood, tarp, canvas, or other waterproof materials. Ask your insurance agent or company if you have questions about what to do or how to do it.
- Talk with your insurance agent or company before making any permanent repairs. You may not be reimbursed if you make any repairs your insurance company hasn't authorized.

### **What records do I need to keep?**

- Take photos or videos of the damaged areas.
- Start a list of all damaged or destroyed personal property. If you have receipts from buying the items, put those with the list. If your property was destroyed and you have no records, work from memory. Searching Amazon, eBay, or other online retailers can help you estimate costs. You'll need this list and cost estimates when you meet with the **adjuster**.
- Start a list of structural and other damage to the home and other structures, such as a garage, tool shed, or in-ground swimming pool. You'll need this list when you meet with the **adjuster**.
- Gather all of your important papers, including your insurance policies. Take those with you if you can't stay in your home.
- Save any hotel receipts if you can't stay in your home. You'll need receipts if your insurance company will reimburse you.
- Keep all receipts for emergency repairs to submit to the insurance company.

- Keep copies of any documents you give your insurance company and any documents they give you. Keep a record of the date, time, name, and phone number of anyone you speak with.

#### **How can I replace damaged or destroyed prescriptions or medical equipment?**

- Contact your doctor's office, pharmacy, or health plan if your prescription medicines were lost or destroyed.
- Contact your doctor's office or health plan if you lost your glasses, contacts, hearing aids, walker, wheelchair, or other medical equipment in the disaster.

#### **When should I report property damage or my home or personal property? How do I do that?**

- Report damage as soon as you and your family are safe.
- The easiest way to report damage is call your insurance company or agent directly.
- If you don't have your company or agent's number but have cell service, use your smart phone to search for phone numbers. There may be a phone number specifically to take claims. If you have access to Facebook or Twitter, search for information from your insurance company or state department of insurance about how to file a claim.
- If you have no or limited cell service, look for mobile claims centers in your area. Local news outlets and social media usually announce their locations.

#### **What do I need to know when I call to make a claim?**

- You'll need to briefly explain what happened and describe the type and extent of the property damage.
- It'll help if you have your policy number. But if you don't, your insurer can find your policy with your name, address, and phone number
- If you aren't staying in your home, be prepared to give them new contact information – a phone number and an address.
- If you've taken photos and videos of the damage and have cost estimates, let them know.

#### **What do I need to file a claim?**

- A list of all damaged or destroyed personal property. If you have receipts from when you bought the damaged or destroyed items, include those. If your property was destroyed and you have no records, work from memory. Searching Amazon, eBay, or other online retailers can help you estimate costs. You'll need this list when you file a claim.
- A list of structural and other damage to the home and other structures, such as a garage, tool shed, or in-ground swimming pool. You'll need this list when you meet with the **adjuster**.

#### **What do I need to ask when I file a claim?**

- What is your name? Is there a phone number I could use to call you back?
- What is my claim or reference number?
- How long do I have to file a claim?
- Do I need estimates for repairs or rebuilding before I can file a claim?
- Could you give me a general idea what my policy will cover?
- Will my insurance policy reimburse me if I stay in a hotel? How much? For how long?
- What's my **deductible**? Are there separate deductibles for hail, hurricane, or wind damage? What are those?
- Are there any special processes or procedures I need to know about?

- When can I expect an **adjuster** to call me?
- What other information will you need to process the claim?
- How long will it take to process the claim?

#### **What is an adjuster? What does an adjuster do?**

- An adjuster is a trained professional. An adjuster reviews your claim, decides on the amount of damage to your home and/or property, and settles the claim based on the insurance coverage available to pay the claim.
- There are three types of adjusters: company adjusters, independent adjusters, and public adjusters. The insurance company pays company and independent adjusters. If you decide to hire a public adjuster, you pay the cost.

#### **What should I do to prepare to meet with the *adjuster*?**

- Make a list of all damaged or destroyed personal property. If you have receipts from when you bought the damaged or destroyed items, include those. If your property was destroyed and you have no records, work from memory. Searching Amazon, eBay, or other online retailers can help you estimate costs.
- Make a list of structural and other damage to the home and other structures, such as a garage, tool shed, or in-ground swimming pool.
- Show the adjuster any photos or videos you've made as well as any cost estimates.
- Get written bids from licensed **contractors**. The bids should include details of the materials to be used and prices of those materials and labor on a line-by-line basis. This makes adjusting the claim faster and simpler.
- Take notes when you meet with your **adjuster**. Get the adjuster's name and contact information and ask when you can expect to hear from him.

#### **Are there different types of adjusters?**

- There are three types of adjusters.
  - The insurance company hires and pays a **company adjuster**. A company adjuster works only for that insurance company. You do *not* have to pay a company adjuster.
  - An **independent adjuster** works for several different insurance companies. An insurance company uses independent adjusters when it doesn't have its own adjuster staff or when it needs more adjusters than it has on its own staff. That often happens in a large disaster. The insurance company pays independent adjusters. You do *not* have to pay an independent adjuster.
  - A **public adjuster** is a professional whom you can choose to hire to handle your insurance claim. Public adjusters have no ties to the insurance company. They appraise the damage to your home and/or property, review your insurance coverage, and negotiate a settlement of the insurance claim for you. If you choose to hire a public adjuster, *you* must pay the cost. The insurance company does *not* pay a public adjuster.
  - Laws in some states prohibit public adjusters from negotiating insurance claims for you. In those states, only a licensed attorney can represent you.

#### **What is a contractor?**

#### **What should I know about a contractor before hiring one?**

Get the following information:

- A copy of the contractor's identification (the contractor's name and the name of the business)
- A copy of the contractor's business license (check the expiration date)
- A copy of the contractor's proof of worker's compensation insurance
- A copy of the contractor's proof of liability insurance. This is a certificate a licensed insurance agent or company issues. The proof of insurance should show the company's name and phone number and the policy number. Call the insurance company to verify the coverage.

**How do I choose a *public adjuster*?**

- Public adjusters are licensed. Ask to see the license.

**If I hire a *public adjuster*, will the insurance company also send its own adjuster?**

**How is a *public adjuster* paid?**

- If you hire a *public adjuster*, it's your responsibility to pay him or her.
- Depending on the laws of your state, public adjusters can charge a flat fee or a fee that's based on a percentage of the settlement you get from your insurer.
- In some states, the maximum a public adjuster can charge is set by law. The maximum also may vary depending on whether a widespread catastrophe caused your loss.
- A public adjuster should give you a contract. The contract should spell out what services the adjuster will provide and how much you will pay.
- If you hire a public adjuster *after* your insurer has made an initial claims settlement, your contract should state if the settlement amount is the least you'll be paid after the adjuster takes his fee from the final settlement.

**What does a *public adjuster* do?**

- He or she:
  - Evaluates your insurance policy to learn what coverage(s) might apply;
  - Researches, details, and documents damage to buildings and their contents and any other claim-related expenses you have;
  - Sets values to settle damage claims;
  - Prepares, documents, and supports claims for you;
  - Negotiates a settlement with the insurance company for you. (In some states only a licensed attorney can negotiate a settlement for you.)
- You should know that your insurance company is not *required* to agree with the public adjuster's estimate of your damage and ***may not agree***.
- You should ask your public adjuster to routinely update you on the progress of your claim.

**What if the insurance company doesn't agree with the *public adjuster's* estimate of the damage?**

**What will happen when the insurance *adjuster* comes to my home and/or property?**

- First, you'll want to be there. You can show the adjuster areas where you believe there has been structural damage and give him or her the lists you've prepared of property damage or structural damage, photos or videos you've made, and bids from contractors.
- Then the adjuster will...
- Before the adjuster leaves, ...

**How long after I file a claim will it be before an *adjuster* comes to my home and/or property?**

- Ask your insurance company. In a disaster, adjusters handle the largest claims first.
- If you don't hear from your adjuster in a reasonable amount of time, contact your agent or the company. Be sure they know how to contact you.

**What if I'm not satisfied with the amount of my insurance settlement?**

- You may contact a contractor to get an estimate. You may have to pay the contractor for the estimate but if he or she makes the repairs, the fee you've paid usually counts toward the cost of the repairs.
- If the insurance company denies any part of the claim, ask for the denial in writing. Keep all paperwork. You may be eligible for federal relief if the federal government declares your area to be a disaster.
- The amount of your settlement won't necessarily be the same as your neighbor's. Your coverages, deductibles, and policy limits may be different even if the damage appears to be the same.
- Your insurance policy covers repair or replacement with property of "like kind and quality." Your settlement won't be enough to pay for expensive improvements or upgrades. For example, it should cover the cost of a 3-tab shingle roof, if that's what you had before the loss, but not a more expensive slate roof.
- Don't accept an unfair settlement offer. Call the insurance company. Be prepared to explain why you think the offer is unfair. If you're not satisfied with the response, contact the Wyoming Insurance Department.

**What does *like kind and quality* mean?**

- Your insurance policy covers repair or replacement with property of "like kind and quality." Your settlement won't be enough to pay for expensive improvements or upgrades.
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**What is *depreciation*? How does that affect my claim?**

- Items that you've owned for several years likely aren't worth as much as they were when you bought them. This loss of value is **depreciation**.
- Depreciation usually is calculated based on the condition of the property when it was lost or damaged, what a new one would cost, and how long the item would normally last. For example, suppose your two-year old home computer that was in good condition was destroyed in a disaster. A similar new computer would cost \$750. Your home computer normally lasts four years, so it had lost 50% of its value (25% a year). So, the value of your home computer at the time it was destroyed was half of \$750, or \$375. So, your insurance settlement would include \$375 to reimburse you for this home computer.

**What is a *deductible*? Are there different types of deductibles?**

**How do I get a settlement offer? Who gives me that?**

**What if the government authorities condemn my home and/or property?**

- Even if the government condemns your home or property, it may not be a total loss. Your insurance company may decide it can be repaired or replaced.
- Be sure the adjuster has fully inspected all damage.

**My home and/or property were destroyed and can't be repaired. Can I use the insurance settlement to build or buy another home somewhere else?**

- Check your insurance policy and talk with your agent or company.
- You may *not* get the same settlement if you don't rebuild on the same property.

**What does the insurer expect me to do?**

- Report all claims to the insurance company as soon as you can.
- Take photos or videos of the damaged areas.
- Make a list of all damaged or destroyed personal property. If you have receipts from when you bought the damaged or destroyed items, include those. If your property was destroyed and you have no records, work from memory. Searching Amazon, eBay, or other online retailers can help you estimate costs. You'll need this list and estimated costs when you meet with the **adjuster**.
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- Gather up all of your important papers, including your insurance policies. Take those with you if you can't stay in your home.
- Save any hotel receipts if you can't stay in your home. You'll need receipts if your insurance company will reimburse you.
- Keep all receipts for emergency repairs to submit to the insurance company.

**I've accepted the insurance company's settlement and I'm ready to repair/rebuild. What do I need to know?**

- Use reputable **contractors**. Contractors may be licensed or registered. The difference is important. A licensed contractor has passed exams and met other requirements to show that he or she is competent. A registered contractor has provided contact information to a government authority.
- Contractors most likely will need to apply and pay for building permits before beginning work. Ask your contractor to show you the building permits.
- Reputable contractors usually don't ask for a large payment upfront.
- Get an estimate from more than one contractor. An estimate from a contractor that is much lower than any of the others could be a warning sign.
- Your home must be repaired or rebuilt to meet current local building codes. Unless you have **Ordinance and Law coverage**, a standard homeowners policy doesn't cover that added expense. Look at the declarations page of your policy to see if you have Ordinance and Law coverage.
- Contact your insurance company and **adjuster** any time you find damage that hasn't already been reported or inspected or if you learn something new about damage to your home or property.

**What do I need to do before a disaster occurs?**

- Create an inventory of the personal property you own. If you don't want to write everything down or type it into a spreadsheet, you can make a movie to show your household items. As you make the movie, you can describe important items, including when you bought the item, its condition, and how much you paid for it if you know.

- Make a copy of your inventory and keep it with your insurance policy. You can put the copy somewhere safe, such as a bank safety deposit box. You also could store a copy online.
- Put your insurance company name, policy number, and company contact information somewhere you could find it in a disaster.
- Review your policy with your insurance agent each year to learn if your needs have changed.
- Secure your home to limit damage during a tornado, hurricane, or high wind. Some things that you can do are:
  - Secure entry doors. Make sure entry doors have a two-inch deadbolt and three hinges with screws long enough to secure the door and frame to the wall. The frame should be well anchored.
  - Brace your garage door. You can buy bracing products that will make your door stronger and more wind resistant. If you're expecting bad weather and haven't braced your garage door, you can put a vertical brace into the wall framing and floor, much as you would board up a window before a hurricane.
  - Install impact-resistant windows. Local building codes in some areas require this.
  - Leave the windows closed in a storm. Opening the window doesn't equalize the pressure between the inside and outside of the house. Instead, the inside of the house becomes pressurized, like blowing up a balloon until it pops. The air pushes off the roof or a wall and the house collapses.
  - Install wind-resistant roof structures. Roofs normally are attached with roofing nails inserted at an angle but this type of roof can come right off in a high wind. Using hurricane clips to attach roofs creates a stronger connection between the roof and the house. Roofing clips come in a range of protection; which one you need depends on the weight of your roof. The building code in hurricane-prone areas require roofing clips but they're a good idea in tornado-prone areas too.