

Insurance assistance available following severe weather

Written by Betsy Blevins

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AUSTIN - Consumers who suffered property damage as a result of the recent severe weather should contact their insurance company or agent to file a claim as soon as possible. Starting this process is the first step toward getting money to make repairs. Homeowners insurance policies generally provide coverage for losses from wind and hail, and, in certain situations, might cover losses from wind-blown rain.

The following tips will help make the claims process go smoother:

Contact your insurance agent or company promptly. Keep a record of all contacts you have with your company. Be prepared to answer questions about the extent and severity of the damage.

Make a list of your damaged property. Photograph or videotape the damage if possible. Refer to your policy to determine the amount of personal property coverage you have. Don't throw away damaged items until your insurance adjuster has had a chance to view them.

Take steps to protect your home and property from further damage. If there is partial damage to your home, make only those repairs reasonably necessary to protect your home and property from further damage, such as covering broken windows and holes to keep rain out or to prevent vandalism or theft. Don't make permanent repairs until instructed by your insurance company. Keep a record of your repair expenses and save all receipts.

Know if you have replacement cost or actual cash value coverage. Replacement cost is what you would pay to rebuild or repair your home, based on current construction costs. Actual cash value is the replacement cost of the dwelling minus a deduction for depreciation. With replacement cost coverage, the company will pay you the actual cash value initially and, after repairs are complete, will pay the remaining amount owed on the claim. If you have replacement cost coverage for personal property, the company will pay your claim on an actual cash value basis until you repair or replace the property. Both replacement cost and actual cash value coverage may be subject to a deductible.

Ask your agent about additional living expenses (ALE) or loss of use. ALE pays for some of the expenses you incur if you are unable to live in your home because of damage from something

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covered by your policy. Most policies pay up to 20 percent of your home's insured value. Provide your insurance company with documentation regarding your expenses.

Refer to your policy to know what deductible you'll be required to pay. Most homeowners policies have two deductibles: one for windstorm and hail losses, and one for all other losses.

If you hire a public insurance adjuster, make sure the adjuster is licensed by TDI. Public insurance adjusters work independently and charge a fee for their services. They must disclose their fees in the written contract with you. To learn whether a public insurance adjuster is licensed, call TDI's Consumer Help Line at 1-800-252-3439 or use the "Licensing Search" feature on TDI's website: <https://txapps.texas.gov/NASApp/tdi/TdiARManager>.

Try to be present when the insurance company's adjuster inspects your damage. Be sure your address is visible. If damage forces you to move, and you have not already contacted or made other arrangements with your insurance company, leave a note or a plywood sign with your temporary address, phone number, and name of your insurance company.

Resolving your claim. Your insurance company must acknowledge that it has begun an investigation within 15 days of receiving your claim. The company may request additional information to settle your claim. Once it has that information, the company must accept or reject your claim within 15 business days or tell you why it needs more time. Once a settlement is reached, the company has five business days to mail you a check. If you do not receive your payment promptly, call your company or agent. Make sure your company has your valid mailing address.

Be Aware of Fraud

- Work with reputable contractors. Ask contractors for references and verify them. Contact your Better Business Bureau or chamber of commerce to obtain information about complaints before hiring a contractor.

- Get more than one estimate for repair work. An estimate should be in writing and provide a

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summary of work to be done, time schedules, guarantees and payment schedules.

- Insist on an itemized contract in writing and pay only as work is completed. No reputable contractor will require a deposit or down payment and you should not advance funds to any contractor.
- Write down the contractor's driver's license number and license plate number.
- Never let a contractor interpret the insurance policy language.
- Never sign a contract with blanks.
- If you suspect price gouging, call the Office of the Attorney General at 1-800-337-3928.

For More Information: Consumers with any questions or concerns about their insurance coverage are encouraged to call the Texas Department of Insurance (TDI). Assistance is available in both English and Spanish.

TDT Consumer Help Line: 1-800-252-3439 (Monday through Friday from 8 a.m. to 5 p.m.)

On the web: 2012 Hail and Tornadoes Resource Page:
<http://www.tdi.texas.gov/consumer/storms/cpmdistornado.html>