

PRESS RELEASE

JANICE K. BREWER
GOVERNOR



GERMAINE L. MARKS
DIRECTOR

ARIZONA DEPARTMENT OF INSURANCE

2910 North 44th Street, Suite 210, Phoenix, Arizona 85018-7269 · (602) 364-3100 · FAX: (602) 364-2400
www.azinsurance.gov

Media Contact: Stephen Clutter
Public Information Officer
(602) 364-3471

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After The Storm: Tips for home and auto policy holders

PHOENIX – People who experienced damage to their homes or automobiles as a result of today’s record rainfall should consider a few tips to help with the claims process, according to the Arizona Department of Insurance, or ADI. The number one tip is to document the damage as soon as possible.

After a disaster, contact your insurance company **BEFORE** you begin to repair, replace, clean, or dispose of your property. Policies generally require that you *show damaged property* to the insurer, so if you begin to repair, clean or replace property before the insurer has an opportunity to confirm and evaluate the damage, the insurer could potentially deny your claims.

“It’s only natural for people to want to clean up and try to repair damage right away,” said Germaine Marks, Director of the ADI. “But if you really need to clean up debris or make repairs before your insurance representative sees the damage, be sure to document the damage first,” she said.

It is also important to keep detailed records, especially photographs and receipts associated with the cleanup or repairs, Marks noted.

Those with damage to their cars should check their policies right away. Auto insurance policies cover damage to vehicles from flood, fire and storms **only if** you carry “comprehensive” coverage on the vehicle.

Most homeowners insurance policies cover wind, tornado and hail damage, but flooding typically requires additional coverage. Check your policy to see exactly what is covered.

Also, if you think a loss might not rise to the level of your deductible, you might want to opt out of filing a claim. Your insurance history is evaluated periodically by your insurer to determine premiums and whether or not to continue your coverage, so filing a claim for minor damage may not be in your best interest.

If you have questions about how your agent or insurance company is handling your insurance claim, you can contact the Consumer Affairs Division of ADOI for assistance.

Other tips during the claim process include:

- File your claim as soon as you can.
- Provide complete, correct, prompt information.
- Take notes and keep all correspondence. Whether from your insurer or agent, keep copies of all notices, statements, and correspondence; take notes on all telephone conversations or in-person meetings, including dates, names, titles and a summary of conversation details, especially on health insurance issues.
- Keep records of your time and expenses.
- Consider getting independent repair estimates before you meet with the claims adjuster.
- Ask questions about your claim. If there is a disagreement about the claim settlement, ask the company for the specific policy language in question and insist on a written explanation of the reason for any claim denials and the specific policy terms the company is relying upon in denying the claim.
- Don't rush into a settlement. If the insurance company's first settlement offer does not meet your expectations, negotiate and ask for itemized explanations. Research the value of a comparable vehicle or the replacement cost of your belongings and use this information to support

your counter offer. Research whether there are any deadlines for making repairs or settling a claim.

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Consumer Resources

Insurance:

Arizona Department of Insurance – www.azinsurance.gov

National Flood Insurance Program – www.fema.gov/nfip.

Arizona Insurance Information Association – www.azinsurance.org

Insurance Information Institute – www.iii.org

Independent Insurance Agent & Brokers of America – www.iiaba.org

Disaster Preparedness:

Arizona Division of Emergency Management – www.dem.state.az.us

Arizona Red Cross – www.arizonaredcross.org

Institute for Business and Home Safety – www.disastersafety.org/

About the Arizona Department of Insurance

The Arizona Department of Insurance, an agency of the State of Arizona, is responsible for the education and protection of insurance consumers and for oversight of the insurance industry in the state.