

PRESS RELEASE

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WOES FOR U.S. RESIDENTS CONTINUE IN EL NIÑO'S AFTERMATH

Free "Insurance Consumer Alert" Details Key Advice for Consumers;
Tips Cover Dealing with Insurance Denials and Fast-Buck Artists.

El Niño isn't packing the bad-weather punch that it was a few months ago, but thousands of U.S. residents are still picking up the pieces in the wake of weather-related problems inflicted during the 1997-1998 winter and early spring, according to John Greene, Director of the Arizona Department of Insurance. Given the scale of the problems associated with the El Niño aftermath, Director Greene outlined the best strategies for Arizona consumers faced with such woes as insurance company denials and fly-by-night home repair outfits. He also warned the tens of thousands of state residents with little or no insurance for weather catastrophes to heed the lesson of El Niño and get the protection they need.

"The calls coming into the state departments of insurance make it clear that victims of recent weather-related disturbances still have a long way to go before they can fully put behind themselves the tornadoes, floods, ice storms, hail and other weather disturbances of recent months," Director Greene said. "That's why the Arizona Department of Insurance is committed to going the extra mile in the aftermath of El Niño to make sure that Arizona consumers have the information they need to make the recovery process as painless as possible and to get protection for unforeseeable weather-related disasters."

Director Greene said that the Department is taking the unusual step of providing consumers with free copies of an "Insurance Consumer Alert" entitled "Coping with the Aftermath of El Niño." The "Insurance Consumer Alert" sets out key advice for consumers who have been affected by El Niño-related and other weather disasters as well as those who have inadequate or no insurance protection against such catastrophes.

State residents may order copies by writing to:

**“Insurance Consumer Alert”
Consumer Services Division
The Arizona Department of Insurance
2910 N. 44th Street, Suite 210
Phoenix, Arizona 85018**

Or, Arizona residents may call (602) 912-8444 to order individual copies

WHAT TO DO WHEN BAD WEATHER STRIKES

According to Director Greene, Arizona residents who are still reeling from weather disasters should take these steps:

- Contact your insurance company immediately to report losses.
- Take notes on who you spoke to, when, and summarize your conversation. Also, photograph the inside of the premises, showing the damaged property and the height of the water.
- Do not call anyone to repair or replace your loss without first getting instructions from your adjuster since your insurer’s visual inspection of your loss may be necessary before repairs are undertaken.

IF YOUR CLAIM IS REJECTED

According to Director Greene, if you feel that your weather-related claim has been improperly denied you should take the following steps:

- Review the terms of your policy.
- Appeal to your agent or the insurance company’s claims manager.
- Contact the Arizona Department of Insurance at (602) 912-8446. If after hearing from your insurance company’s claims executive, you still feel your claim hasn’t been handled properly, it may be appropriate to contact the Department.
- If necessary, consult an attorney.

Director Greene said: “The ill weather effects of El Niño may be lessening, but they will still be with us for another few months. My personal hope is that in seeing the devastation that weather disasters have brought to so many around the nation, our residents will know what to do if the worse comes to pass.”

UNINSURED URGED TO STOP TAKING CHANCES!

Director Greene said that the thousands of Arizona residents without adequate insurance for weather-related disasters should take the following actions immediately:

- Review your existing insurance coverage and figure out where your “gaps” are. Your insurance agent should be able to walk you through this important process.
- Learn the facts about flood insurance. You can protect your home, business, and belongings with flood insurance from the National Flood Insurance Program. There is usually a 30-day waiting period before the flood coverage goes into effect. For more information, contact NFIP at 1-800/638-6620 or visit them at www.fema.gov on the Web.
- Plan now for a future claim. Inventory your personal property, including model and serial numbers. Store the information off the premises, such as at work in a bank safe deposit box.

CONSUMERS CAUTIONED ON “FAST-BUCK” ARTISTS

Director Greene warned Arizona consumers that natural disasters bring out the worst in some people, such as home repair rip-off artists.

“You must always be on your guard for home repair rip-off artists, who overcharge, perform shoddy work and often leave without finishing the job,” Director Greene said. “Consumers must avoid fly-by-night operators who just happen to be in the neighborhood and, instead, should only deal with credible firms with a track record that can be verified.”

Director Greene also cautioned that “public adjusters” may also make misleading claims about getting better insurance settlements. (Private adjusters work for insurance companies, while public adjusters work independently on a commission basis.) “Some public adjusters will promise people that they can negotiate a better settlement from the insurance company because they work for the consumer,” Director Greene said. “However, settlements handled by public adjusters are not uniformly better than those achieved by private adjusters, plus the commission payment is always deducted from the claim settlement offered by the insurance company.”

For more information about dealing with private and public adjusters, contact the Arizona Department Insurance at (602) 912-8446.

About the Arizona Department of Insurance

The Arizona Department of Insurance is responsible for licensing or otherwise approving the transaction of business by companies, agents, brokers and other insurance-related entities prescribed by A.R.S. Title 20. The Department monitors the financial health of insurers that transact insurance in Arizona; protects insurance consumers against illegal business practices of insurance-related entities; and collects more than \$140 million in insurance premium taxes and other revenues.