

insurance company. However, if you hire the contractor who did the estimate to perform the repair work, the fee will usually be credited towards the cost of the repairs.

- Avoid shoddy repairs and workmanship by using licensed, reputable contractors. Be sure they secure the proper building permits. Beware of contractors requiring a large payment up front or whose bids are amazingly low. Check with the Maryland Department of Labor, Licensing and Regulation at 410-230-6001 to ensure the contractor you are planning to use for the repairs has a valid license.
- If your home was destroyed beyond repair and you decide to rebuild your home on another lot or to purchase another home instead of rebuilding, check your insurance policy and discuss your plans with your insurance carrier. There may be limitations on what your insurer will pay if you do not rebuild at the same location.
- Your insurance policy provides coverage for the repair or replacement of the property with *like kind and quality* that you had prior to the storm. It does not provide for costly improvements or upgrades such as putting in granite countertops if, prior to the loss, your countertops were Formica.
- If your home was not built to the current local building code standards, you may be required to rebuild the damaged sections according to current codes. In some cases, this may cost more. Generally, a standard homeowners insurance policy does not cover such additional expenses unless you have purchased an endorsement to your policy that provides coverage for the costs associated with bringing the property into compliance with codes and ordinances when making required repairs. You should check your policy to see if you have this coverage and if not, you may want to speak to your agent or insurance company about purchasing such an endorsement.

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Lawrence J. Hogan, Jr., Governor    Boyd K. Rutherford, Lt. Governor

# PROPERTY DAMAGE

## WHAT TO DO AFTER A LOSS



While natural disasters are beyond our control, we can take steps to ensure that the recovery and reconstruction goes smoothly. This brochure is designed to help you understand what to do in order to protect your interests if you have suffered a loss or sustained damage, and need to file an insurance claim.

### GENERAL INFORMATION

- Contact your insurance company or agent immediately after sustaining property or automobile damage.
- Read your policy carefully so you understand what coverage is available to you under your policy.
- If you have to relocate, even temporarily, make sure the insurance company or agent knows your temporary address and telephone number so they will be able to contact you.
- If you hire a Public Adjuster, you should understand that your insurance company may or may not agree with that person's estimate of your damage(s). Your insurance company is not obligated to accept the damages that are claimed by a Public Adjuster. For more information about Public Adjusters and the services they provide, please refer to our publication entitled, *Should I Hire a Public Adjuster to Help Settle My Claim* available at our website, [www.insurance.maryland.gov](http://www.insurance.maryland.gov) or by contacting us at 800-492-6116.
- Please be aware that if a disaster occurs, adjusters will handle the largest losses first, but will work to handle all claims as quickly as possible.
- If you do not hear from your adjuster within a reasonable length of time following a

natural disaster, contact your agent or company again and make sure you leave them with a way to contact you.

- Do not accept an unfair settlement offer. If you cannot reach an agreement with the insurance company, call the adjuster or supervisor and be prepared to explain why the offer is not sufficient or unfair. If you are still not satisfied, contact the Maryland Insurance Administration's Property and Casualty Complaints section at 410-468-2340 or toll free at 800-492-6116, extension 2340.
- If your insurance company denies any part of your claim, be sure they put the denial in writing and that you keep all the paperwork the company sends you. You will need this documentation if your area is declared a disaster by the Federal government. If the Federal government declares your area to be a disaster, you may be eligible for federal relief.
- Remember, the amount of your settlement won't necessarily be the same as your neighbor's. Your coverages, deductibles, limits and/or the amount of damage you sustained may be different.
- You should contact your insurance company and claims adjuster any time you have additional information concerning your claim or find additional damage that has not been previously reported, inspected and estimated.

### DOCUMENT THE DAMAGE

- You should take photographs and/or video of the damaged areas. This will help you with documenting your claim and will assist the insurance company in their investigation of your claim.
- Before you remove any damaged property from the premises, be sure an insurance adjuster or your agent has seen the damage so they can work up a damage and loss assessment. This is especially important if state or local officials have to begin debris removal on your property.
- Keep all receipts for emergency repairs and for temporary living expenses if needed.

- As soon as you are able, prepare a detailed inventory listing all of the damaged or destroyed property. Give one copy to the insurance adjuster and be sure to keep a copy for yourself. Your list should include a description of the item and quantity (if more than one); the date of purchase or approximate age of the property; its original cost at the time of purchase; and an estimated replacement cost for the time today. Include as much information as possible.
- You should be present when your insurance adjuster inspects your property. This will enable you to point out all areas that you believe have been damaged so nothing will be missed.
- Even if your property is condemned by governmental authorities, the property may not be a total loss. Your insurance company may decide the property can be repaired. To fully protect your ability to make a claim and to be paid, you must be sure your insurance company's adjuster has fully inspected all the damage.

### REPAIRING YOUR PROPERTY

- Prior to inspection by the insurance company's adjuster, make only those repairs necessary to prevent any further damage to your home or business. This includes covering roofs, walls or windows with plywood, canvas or other waterproof material. Do not have any permanent repairs made without consulting your agent or insurance company first and getting their approval for same. If approval is granted, be sure you get that in writing from the adjuster. Unauthorized repairs may not be reimbursed.
- If you think that the insurance company's estimate is too low, you may wish to obtain an estimate from your own contractor. A contractor may charge a fee for this service and that will not be reimbursed by the