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In Sandy's wake, roll up your sleeves—for possible fight with your home insurer

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As survivors of Superstorm Sandy start cleaning up the estimated \$20 billion in destruction, homeowners need to prepare for another possible squall—with their insurance company, according to the latest data from the Consumer Reports National Research Center.



When disaster strikes, your [home insurer](#) might not live up to your expectations, especially if you have a large claim, based on the results of our 2011 survey of 11,250 subscribers who filed claims in the past few years. The greater the damages, the greater the likelihood that home insurers paid less than expected, we found. (See our [homeowners insurance Ratings](#).)

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Overall, almost 10 percent of respondents reported disagreements with their insurer over the amount of a claim payment. But when damage was \$25,000 or more, 19 percent disagreed with their insurer's assessment of what was due. That was more than three times the disagreement rate for claims worth less than \$2,500.

Among those in the higher-damage group who disputed estimates, insurers paid a median of \$7,000 (or 20 percent) less than the claimed loss, leaving the policyholders less satisfied.

Now, with some \$7 to \$8 billion in Sandy claims at stake, according to New York City Mayor Michael Bloomberg, homeowners need to get into fighting trim. Here's what you should do to stay on your toes and make sure you get all of the [damage claim dollars](#) that you have coming to you:

1. **Take pictures of the damage** as soon as it's safe and practical. Then take steps to prevent further damage, such as covering a hole in the roof with a tarp and moving undamaged furniture and other items to a safe place.
2. **Keep receipts** for any money you spend to prevent further losses. But don't repair anything or dispose of ruined property until an insurance adjuster has examined everything.
3. **Report the loss** to your insurance agent as soon as practical. Most big insurers now have smart phone apps that make taking pictures (with the phone's camera) and filing claims a snap. Alternatively, your insurer will send claim forms, which you should return as soon as you can. Ask about the time limit for filing claims, details about what's covered, and how to get repair estimates. If you have an inventory of your possessions, submit it with your claim along with any photos of damage, receipts, police reports, and other evidence that documents the loss.
4. **Keep notes** about any promises that insurance representatives give you, the date and time of each contact, and the name and title of each person you deal with. Make sure the adjuster sees everything. Ask for a copy of his or her report and scrutinize it for mistakes. You're also entitled to a copy of your entire claims file. Copy everything you give the adjuster and ask for a receipt.
5. **If the adjuster advises you to start repairs, get that in writing** so promises and permissions can be accurately passed on if your case is transferred to another person. If you get payments up front for temporary living expenses, don't sign any documents that make them your last payments or that surrender your right to collect further payments.
6. If your insurer says your policy doesn't cover certain damages or if the damage estimate and claims payment offer are too low, **ask for the policy exclusion or limit in writing**. If you've been misled by policy wording, contact a local attorney who specializes in insurance law. The Consumer Federation of America notes that courts have consistently ruled in favor of policyholders on such ambiguities.
7. If you reach an impasse, **consider getting help from a public adjuster**. You'll pay a hefty fee, typically 10 percent of the policy payout. But one Florida study of more than 76,000 claims found that policyholders who used public adjusters got payments that were 19 to 747 percent larger than those who didn't, though

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the cases took longer to settle.

To find a public adjuster, go to the website of the National Association of Public Insurance Adjusters, at napia.com. Look for references, several years' experience, and a state license if required.

Sources:

[Hurricane Sandy Threatens \\$20 Billion in Economic Damage](#) [Bloomberg News]

—Jeff Blyskal

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