



New Jersey Department of Banking and Insurance Offers Guidance on Filing Insurance Claims for Storm-Related Damage

To assist New Jersey residents affected by the recent tropical storm, the Department of Banking and Insurance offers the following guidance on filing insurance claims for storm-related damage.

How to File a Homeowners Insurance Claim and/or Commercial Property Insurance Claim

Call your agent or insurance company. Call your agent or insurer as soon as possible to report your loss. Have your policy number ready along with any information that may be relevant and have paper and pen to record the claim number, contact information for the assigned claim representative and any important information about your claim.

Make necessary repairs. If your property has been damaged, it is important to make any necessary temporary repairs to protect the property from further loss or damage. For example, if windows are broken, have them boarded up to protect against vandalism or weather. Be sure to save all receipts or bills to submit for your claim.

Work with claim adjuster. Your insurance company will assign a claim adjuster to inspect the damages and determine coverage. You should cooperate with the adjuster and keep written notes about conversations regarding your claim. The company should provide you with a copy of the damage estimate and if you request it, give you the name of a contractor who will do the work at the price estimated. You are not required to use the company's recommended contractor. If all or part of the loss is not covered, the company must explain how coverage is excluded under your policy.

Understanding public adjusters. Public adjusters, licensed by the Department of Banking and Insurance, are professionals that may be hired by insurance policyholders to appraise damages to their property and negotiate their insurance claims. They are paid from the proceeds of a policyholder's claims settlement, typically a percentage of the total amount received. State regulation requires that public adjuster contracts specify a list of services to be rendered and the maximum fee to be charged, "which fees shall be reasonably related to services rendered" and should not be excessive. They are not required for an individual to file or resolve claims with an insurance company. Consumers with questions about the process can contact the Department.

Documenting damage. It is recommended that consumers/business owners take pictures of all damaged property before disposing of it and, if possible, retain the damaged property until the insurance company either inspects it or advises that the property can be disposed of. Consumers/business owners should ask the insurance company how to proceed, as in most cases the company will require the damaged property to be physically available for inspection and will require that it is not be removed or destroyed.

Resolving disputes. If you and the insurance company do not agree, first try to resolve your issues with the company. Sometimes it helps to have your contractor speak directly with the claim adjuster. If you cannot resolve the dispute with your insurance company, you can contact the **Department's Consumer Hotline at 1-800-446-7467** (8:30 am to 5:00 pm EST Monday-Friday), or go to the Department website and click on Consumer Assistance - Inquiries/Complaints, at www.dobi.nj.gov.

Understand Homeowners Insurance

Homeowners insurance protects homeowners from damage to their home, other structures not attached to the home like detached garages, storage sheds and fences, as well as personal property like furniture. Homeowners insurance policies exclude water damage caused by flood. Renters insurance policies also exclude coverage for flood damage. Only flood insurance covers a person's home and their personal property from floods.

Understand Flood Insurance

Flood insurance is not part of most insurance policies written for homeowners, as well as policies for businesses, condominium-owners and renters. Generally, only flood insurance covers a person's home, business and their property from floods. Consumers can purchase a flood insurance policy from the National Flood Insurance Program (NFIP) or from an insurance company offering private flood insurance. **Consumers should be aware that flood insurance is not effective until 30 days after it is sold.** Therefore, consumers who want flood insurance for this storm season should contact an approved flood insurance agent immediately and not wait for another approaching storm.

Is your vehicle damaged?

Damage to a personal or commercial vehicle from flood is covered under an auto policy's optional comprehensive coverage (also known as comp or "other than collision"). If you do have comprehensive coverage, contact your agent or company to file a claim. If you only have liability coverage, your insurance company will not cover damage to your vehicle caused by flood.

Questions about the process?

The Department of Banking and Insurance is ready to answer any questions or inquiries you may have or open a formal complaint via our Consumer Inquiry and Response Center (CIRC). Contact the **Department's Consumer Hotline at 1-800-446-7467** (8:30 am to 5:00 pm EST Monday-Friday), or visit www.state.nj.us/dobi/consumer.htm.

