

Comparison of a Typical Insurance Claim – Public Loss Adjusters or Not?

To allow you to see why using Public Loss Adjusters (PLA) is in YOUR best interests the following example of how an **Insurer** lead claim versus one lead by Public Loss Adjusters compare:

Example: Burst Pipe/Escape of Water

Timeline	Insurer Lead Claim	Timeline	Public Loss Adjusters Lead Claim
Day 1	<p><i>'Mrs. Smith arrives home from visiting family, and upon opening the front door finds the ground floor of the house 2 inches deep in water! After the initial panic reaction, she goes into the house and sees water dripping through the ceiling below the bathroom. What does Mrs. Smith do next? She calls the local plumber using Yellow Pages or any of the 118 directory assistance numbers, assuming she can remember them!</i></p> <p><i>The plumber advises Mrs. Smith to turn off the water at the mains tap, which she is finally able to find, after being prompted by the plumber and now Mrs. Smith waits for the plumber and thinks about calling her insurance company.</i></p> <p><i>The plumber arrives, tells Mrs. Smith that a pipe which had frozen during the cold spell, which occurred when Mrs. Smith was away, had burst and that he had fixed the pipe and presents Mrs. Smith with his bill which she pays. [Note: The cause of the escape of water (burst pipe etc.) is not normally covered under most insurance policies, however the damage caused by the escape of water would normally be covered.]</i></p> <p><i>Mrs. Smith finds her insurance documents and calls the insurance company claims number, due to the recent freeze the insurers are overwhelmed with claims and the call is placed in a queue after having to negotiate the automated answering system. After waiting for several minutes, the call is cut off, so Mrs. Smith has to start all over again, eventually the call is answered and Mrs. Smith is given a claim reference number and told that the insurer will arrange for someone to come and look at the damage.</i></p> <p><i>Usually within 24 hours, but again due to the extreme weather conditions everyone is busy, Mrs. Smith will receive a call to arrange for the insurer's representative, usually a drying & restoration company under contract to the insurer to start the drying process.</i></p>	Day 1	<p><i>'Mrs. Smith arrives home from visiting family, and upon opening the front door finds the ground floor of the house 2 inches deep in water! After the initial panic reaction, she goes into the house and sees water dripping through the ceiling below the bathroom. What does Mrs. Smith do next? She calls PLA using the 08000 434 999 24/7 call centre number. PLA will arrange for one of their local approved plumbers to contact Mrs. Smith and attend the property. PLA or the plumber advises Mrs. Smith to turn off the water at the mains tap, which she is finally able to find, after being prompted by the plumber and Mrs. Smith waits for the plumber PLA ask Mrs. Smith for her insurance details.</i></p> <p><i>The plumber arrives, tells Mrs. Smith that a pipe which had frozen during the cold spell, which occurred when Mrs. Smith was away, had burst and that he had fixed the pipe and presents Mrs. Smith with his bill which she pays. [Note: The cause of the escape of water (burst pipe etc.) is not normally covered under most insurance policies, however the damage caused by the escape of water would normally be covered.]</i></p> <p><i>The plumber or PLA direct arrange for Mrs. Smith to sign the PLA engagement mandate authorising PLA to act on Mrs. Smith's behalf noting all the insurance details and reports to PLA the extent of the damage with digital photos being sent, if required, to provide evidence of the damage as part of the claim process. PLA will in most cases advise the insurance company of the claim event acting on Mrs. Smith's behalf sending a copy of the mandate and obtaining the claim reference number or will instruct Mrs. Smith to do so and record the claim reference number.</i></p>
Day +15	<p><i>The drying & restoration company will be under specific instructions to minimise the costs of the claim by cleaning and avoiding replacement where possible, something which may not be a best option for Mrs. Smith.</i></p> <p><i>When the drying & restoration company arrive at the premises they will start the claim process and depending on the extent of the damage will take anywhere between a few days and up to several weeks to simply dry out and strip out the damaged items and building materials.</i></p>	Day 1-2	<p><i>PLA will advise the insurer that immediate drying and restoration works are required to minimise the claim and will appoint their local approved drying and restoration company and arrange for immediate installation of drying equipment pending a meeting with the insurer's loss adjuster to evaluate the claim. The drying & restoration company will initially be under PLA's specific instructions to simply stop any further damage and to dry out the affected areas to minimise the claim with any immediate removal of damaged items photographed and retained for review by the loss adjuster.</i></p> <p><i>Depending on the extent of the damage the drying will take anywhere between a few days and up to several weeks to simply dry out, the strip out of the damaged items and building materials will depend upon the loss adjuster and PLA's Claim Manager agreeing the scope of works.</i></p>
Day +16	<p><i>The insurer will also have instructed a firm of professional loss adjusters (Note: The word 'adjuster' – their sole purpose is to adjust the claim values – usually to a lower amount) who will arrange to visit Mrs. Smith (usually 3 – 21 days from time of contact)</i></p> <p><i>The loss adjuster will effectively go through the whole claim, how it happened, whether it was as a result of an insured risk and what the insurers are prepared to do to reinstate the damage.</i></p> <p><i>They will have all their many years experience at their</i></p>	Day 5	<p><i>The AMPM Claim Manager will have reviewed the</i></p>

<p>Day +21</p>	<p>disposal and unlike Mrs. Smith deal with hundreds of similar claims every year. They know the terms and conditions of most insurer's policy documents and will attempt within the terms and conditions to repudiate or minimise the claim.</p> <p>The loss adjuster will meet Mrs. Smith at the appointed time, ask leading questions and assuming he has no reason to refuse the claim, will approve the claim on behalf of the insurers, (remember this is who he is working for). In most cases they will instruct one of the insurance company's appointed contractors to make an appointment (usually within 7 to 10 days from time of contact) with Mrs. Smith to survey the damage and prepare an estimate to reinstate the damage.</p> <p>Mrs. Smith will need to be present to make sure everything the contractor is proposing to carry out is to her satisfaction, and that nothing has been missed off, and that the total schedule of works is correct. Mrs. Smith should be aware that the insurer's loss adjuster will have given the contractor his instructions to minimise the costs.</p>	<p>to Day 15</p> <p>Day 6 To Day 16</p> <p>Day 6 To Day 16</p> <p>Day 6 To Day 16</p>	<p>terms and conditions of Mrs. Smith's insurance policy documents and will be able to negotiate (within the terms and conditions) the best possible outcome on the claim.</p> <p>The loss adjuster will meet PLA & Mrs. Smith at the appointed time, PLA will answer most of the leading questions (consulting with Mrs. Smith for any details) and should be able to agree the approval of the claim event with the loss adjuster on behalf of the insurers. PLA will instruct the drying and restoration company to strip out and complete the drying aspects and to issue a certificate of dryness and request one of the PLA's insurance company's approved contractors to prepare an estimate to reinstate the damage. (If the damage was significant, a firm of RICS surveyors will be instructed to prepare the schedule of works which will go out to tender.)</p> <p>PLA will sit down with Mrs. Smith and prepare a list and valuation for any contents damaged during the claim event and PLA will submit this to the loss adjusters for their review and approval.</p>
<p>Day +30</p>	<p>The estimate will be prepared (usually within 2 – 3 days from the date of the visit) and delivered to the loss adjuster, who assuming the schedule is correct (according to his opinion), the contractor will be instructed to go ahead.</p>	<p>Day 7/8 to Day 17/18</p>	<p>The estimate will be prepared (usually within 24 hours from the date of the visit) and delivered to the loss adjuster by PLA, who will discuss and negotiate the schedule on Mrs. Smith's behalf and will instruct the approved contractor to go ahead.</p>
<p>Day +45</p>	<p>Depending on the amount of work the contractor is currently working on, a start date will be agreed with Mrs. Smith and the reinstatement work will commence, depending on the size of the claim, this could take anywhere from a few days to several weeks.</p>	<p>Day +30 to Day +45</p>	<p>PLA have a number of approved contractors, therefore it is likely that one or more will be able to start immediately. PLA will have a dedicated Project Manager to make sure the actual works are carried out to the agreed specifications. PLA deal with the loss adjuster, regarding any extra electricity costs resulting from the drying equipment, temporary accommodation, contents, interim payments, payment of the excess, arranging all diary appointments and finally discuss the whole job with Mrs. Smith who is responsible to 'sign off' on the works when finished.</p>
<p>Day +60</p>	<p>Mrs. Smith will have to act as a 'Project Manager' to make sure the actual works are carried out to her satisfaction, as well as deal with the loss adjuster, regarding any extra electricity costs resulting from the drying equipment, temporary accommodation, contents, interim payments, payment of the excess, arranging all diary appointments and to be finally responsible to 'sign off' on the works when finished. If the work is not to her satisfaction, or certain aspects or items are not included or completed, Mrs. Smith will need to deal with these matters as part of the whole claim process.</p>	<p>Day +30 to Day +45</p>	<p>If the work is not to her satisfaction, or certain aspects or items are not included or completed, PLA will deal with these matters as part of the whole claim process.</p>
<p>Day +90</p>	<p>Mrs. Smith will be responsible for communications with all insurance company appointed representatives, contractors, loss adjusters and any other company or individual involved in the claim process.</p>	<p>Day +45</p>	<p>PLA will be responsible for communications with all insurance company appointed representatives, contractors, loss adjusters and any other company or individual involved in the claim process.</p>
<p>Day +100</p>	<p>Mrs. Smith will also be responsible for making sure that the contractors carry out any remedial works should she find that anything is wrong after the contractor has left the site following completion and sign off by Mrs. Smith.</p>		<p>PLA will also be responsible for making sure that the contractors carry out any remedial works should she find that anything is wrong after the contractor has left the site following completion and sign off by Mrs. Smith. PLA will ensure that this is carried out. PLA would strive for completion between 1 and 3 months of managed 'chaos' (any building work causes disruption and has to be dealt with, however, the time frame is acceptable), Mrs. Smith is back to normal, the claim is finally settled and payments are made including to Mrs. Smith any amounts due to her.'</p>
<p>Day +120</p>	<p>If this is not carried out, she will have to argue with the contractor and if she has no luck, will have to try and get the loss adjuster to get involved, however, he will have closed the file and may not be able to do so.</p> <p>So, finally, after anywhere between 3 and 6 months of tedious and stressful matters, Mrs. Smith is back to normal, the claim is finally settled and payments are made including to Mrs. Smith any amounts due to her.'</p> <p><u>Not something which anyone should welcome and without professional advice and assistance should not even attempt to deal with.</u></p>		<p>That is why YOU <u>should</u> appoint Public Loss Adjusters! Professional Advice, No Hassle <u>and</u> a Prompt Settlement!</p>