INSURANCE BEFORE & AFTER THE STORM

JAMES BROWN CSI
COMMISSIONER OF SECURITIES & INSURANCE
OFFICE OF THE MONTANA STATE AUDITOR

"Our agency stands ready to offer all available resources to help property owners file claims, mitigate future risks, and work with consumers and insurance companies to rebuild these communities." —Commissioner James Brown

Take steps to protect your home, family and financial security throughout the year and take extra precautions when severe storms are predicted in your area. A Flood is considered to be any water that occurs from a natural source, while flood damage is not covered under standard policies, wind and hail damage are typically covered in a homeowners insurance policy – know your deductible and coverage amounts.

PROTECTING YOUR PROPERTY

- Call your insurance company to report damage.
- Take pictures and video of the damage. Don't throw anything away until your insurance adjuster tells you.
- Make temporary repairs to prevent more damage. Remove standing water and cover broken windows and holes to keep rain out.
- Keep a list of the repairs and save receipts. Don't make permanent repairs before the insurance adjuster sees the damage.

AUTO DAMAGE

- If you have comprehensive coverage on your auto, your auto damages may be covered by damage due to wind or hail. Contact your agent to file a claim. Remember, Montana law allows you to choose the repair shop of your choice. No insurer can force you to use a specific repair shop; however, the company is not necessarily responsible for paying all of the repair shop's estimated charges.
- Hail damage is commonly repairable with Paintless Dent Removal (PDR). This technique involves pushing the dimples out of the panel from underneath. It is generally less expensive than traditional repairs and takes considerably less time to complete.
- Not all body shops have agreements with PDR companies, so be careful signing contracts with a body shop that estimates traditional repairs, as you may not be reimbursed if the repairs could have been done with paintless dent repair.
- If you live in a small town and no PDR is available within a reasonable distance, the insurance carrier may need to consider conventional repair methods.
- Maintain communication with body shops during repairs and make sure any additional damage found is approved by the insurance company before the additional work is done.

REPAIRING YOUR HOME

- Make sure your adjuster and company have your current phone number.
- Make sure your address is visible from the street. You may need to post a sign with your address in the yard.
- Try to be there when the adjuster visits and point out all damage.
- Get multiple bids from contractors and compare them with the adjuster's report before settling the claim.
- Save proof that you paid the deductible on the claim. A state law makes it illegal for contractors or roofers to offer to waive a deductible or to promise a rebate for your deductible. It also allows insurance companies to request proof, such a receipt or canceled check, that you paid the deductible.

FILING A CLAIM

- Call your insurance agent or company as soon as possible to report property damage. For company phone numbers, use our online Company Lookup or call our office.
- Keep a record of everyone you spoke with at your .company.
- Be ready to answer questions about the damage.
- Ask about an advance payment if you need help quickly.
- Ask about living expenses. Most policies will cover some of the costs you have if you are unable to live in your home because of damage that is covered by your insurance. Keep your receipts for these costs.
- If you need shelter, emergency food, or water, contact the Red Cross at 800-733-2767.

HAVE QUESTIONS OR NEED HELP?

- Need assistance in finding insurance company contact information?
- Have questions about how to file a claim?

Call our Insurance Consumer Services (ICS) team at **800-332-6148** or visit our **CSIMT.GOV website** for additional insurance resources and tools.

406.444.2040 csi@mt.gov csimt.gov 840 Helena Avenue Helena MT 59601

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AVOIDING CONTRACTOR SCAMS

Out-of-town scam artists – or insurance “storm chasers” – may be the first to arrive at your front door after a disaster. To protect what you invest in repairs, hire local contractors and get written bids. Be sure to get insurance certificates for the chosen contractor to verify they have workers compensation and liability insurance. Contractor’s liability insurance rarely pays for poor workmanship, so check references of their prior work. Use these tips to avoid problems.

1 GET MORE THAN ONE BID

- Getting at least three (3) bids will help you decide which offers may be too high or too good to be true. Your insurance adjuster can give you an idea of what the repair should cost. Bids should be on the company’s letterhead, including a phone number and address. Keep a copy of all agreements and warranty terms.

2 WATCH WHAT YOU SIGN

- Read every document carefully before you sign. Scammers will try to get you to sign a contract by calling it an estimate or a release just to go on your roof. And don’t sign a contract with blank spaces. Shady contractors will fill in the spaces later with higher costs or work that’s different from what you wanted.

3 BEWARE OF MISLEADING LANGUAGE

- Don’t sign contracts that say, “Homeowner agrees to the listed repairs for the value of insurance proceeds.” If you do, the contractor gets every penny from your insurance payment. Make sure the contract lists the materials they’ll use. Keep an eye out for defective or low-quality materials while work progresses.

4 DON'T PAY UP FRONT

- Be wary if a contractor asks for a large or full down payment. After a disaster, it’s against the law for out-of-town contractors to ask for a down payment before they start.

5 SKIP OFFERS TO WAIVE YOUR DEDUCTIBLE

- It’s against the law for a contractor to offer to waive an insurance deductible or work the deductible amount into a bid. If this happens, find a new contractor.

SHOULD YOU REPORT FRAUD OR FILE A COMPLAINT?

To make sure you get the fastest help, read the following to know if you should file a complaint or if you should report fraud. If you need help deciding, call our Insurance Consumer Services (ICS) team office at **800-332-6148**, Monday to Friday, 8 am to 5 pm.

- **File a complaint** if you disagree with a claim denial or the amount your insurance company is paying.
- **File a fraud report** if you suspect a criminal act, such as filing a false or padded insurance claim, selling insurance without a license, or selling fake policies.

To file an online complaint or report fraud, visit **CSIMT.GOV**.

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