

Draft Claims Guide

Things to do before a disaster occurs (the preparation phase)

- Create an inventory of the items you own

Taking an inventory of everything you own is a time consuming, but necessary task. Even if you do not take time to write these items down on paper, or record them in a spreadsheet, you can document your belongings by creating a movie that records your household items. As you are making the movie of the items you should also state important facts, such as when the item was purchased, the condition of the item, etc.

- Make sure you have a copy or online access to your insurance policies

Your insurance policy is an important document. It is a good idea to store a copy of your insurance copy in a safe place where it cannot be destroyed, such as a safety deposit box. Some insurance companies give their customers access to their insurance policies online. It is a good idea to check with your insurance company to see if you have access to your policy electronically.

Your insurance policy also has a policy number, which is important in the event of a loss. Make sure you have your policy number and your insurance company's contact information at the very least.

- Maintain a list of important telephone numbers

You should keep the telephone number of your insurance company's or insurance agent's phone numbers. In the event of a claim you will need to contact one or both of these parties.

- Mitigation

Mitigation involves measures that should be undertaken to increase the likelihood that property can survive a natural or human-induced catastrophe.

Mitigation includes:

- Strengthening new construction through building codes
- Using voluntary "code-plus" construction techniques and guidelines
- Properly retrofitting existing homes and commercial structures to improve resiliency

To find out what the building codes are in your state you can visit:

<https://www.disastersafety.org/building-codes/>

To view disaster safety videos you can visit:

<https://www.disastersafety.org/video/>

A catastrophe has occurred and I have damages - where do I start

It is stressful to experience a catastrophic event and even more stressful when your home, car, or other property has been damaged too. Following are some steps for you to follow when trying to get reimbursement for your claim.

- File a claim

The first thing you will need to do if you have damage to your property is to file a claim with your insurance company.

If the catastrophe has occurred in a large area, insurance companies may set up mobile workstations in your city or town.

Discuss the steps to take here?

- Assess your damage

Look at the damage that has occurred to your property and determine whether or not there are any safety risks. If your property is safe you should have repairs made to prevent further damage. You may want to get estimates from contractors that are experienced in doing repair work. Keep an accurate record of the amount of money you are spending on repairs.

Immediately take a video of the damage that occurred due to the storm. Do the minimum repairs necessary before your insurance company has a chance to assess the damage.

If a federal disaster has been declared you will want to contact FEMA to see what help is available.

(Talk about contractor or engineering inspections if necessary??)

(Talk about repairs that may not be covered unless insd purchased a specific endorsement??)

What is depreciation

When it is time to settle your claim with an insurance company it is important to understand that items you have owned for several years may not be worth as much as they were the day you purchased the items. This loss of value is called depreciation.

Depreciation is generally calculated by evaluating the cost to repair or replace an item with a similar item as well as taking the item's average expected lifespan into consideration. For example, let's say your home computer that you purchased two years ago was destroyed in a fire. Your home computer was in good condition before the fire. A similar home computer is sold in stores today for \$750. This home computer has a life expectancy of four years, meaning it loses 25% of its value each year. Because your home computer was two years old, it had lost 50% of its value before being destroyed in a fire. Therefore, the value of your home computer at the time of loss is \$375.

Consumer Cautions

- Beware of Contractor Fraud

After a catastrophic event there are oftentimes scams regarding contractors. It is important to make sure that you have chosen a legitimate contractor to repair your home. Before hiring a contractor obtain the following information:

- Contractor's Name
- Business Name
- License Number & Expiration Date
- A photocopy of the contractor's business license
- A photocopy of the contractor's identification

Make sure the contractor has:

- Workers' Compensation Insurance
 - Get a copy of the documentation
- Proof of Insurance
 - Insurance carriers name
 - Policy number
 - Insurance company's phone number
 - Get a copy of the proof of insurance

<http://www.pbs.org/pov/carolynparker/consumer-tips-natural-disaster.php>