

THE Journal of Public Adjusting

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Florida Legislature Website Provides PA Client Contract Requirements

Ensure your client contracts are in compliance with Florida law. Below is an excerpt from the 2015 Florida statutes regulating public adjusters found on the Florida Legislature's website:

626.8796 Public adjuster contracts; fraud statement.—

(1) All contracts for public adjuster services must be in writing and prominently display the following statement on the contract: "Pursuant to s. 817.234, Florida Statutes, any person who, with the intent to injure, defraud, or deceive an insurer or insured, prepares, presents, or causes to be presented a proof of loss or estimate of cost or repair of damaged property in support of a claim

under an insurance policy knowing that the proof of loss or estimate of claim or repairs contains false, incomplete, or misleading information concerning any fact or thing material to the claim commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084, Florida Statutes."

(2) A public adjuster contract relating to a property and casualty claim must contain the full name, permanent business address, and license number of the public adjuster; the full name of the public adjusting firm; and the insured's full name and street address, together with a brief description of the loss. The contract must state

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Sinkhole Neutral Evaluation Program Information Available from DFS

As part of the state's Sinkhole Neutral Evaluation Program, new rules changing the way disputed sinkhole claims are handled took effect earlier this summer. The DFS website provides comprehensive information on sinkhole claims including this description of the program:

Sinkhole Neutral Evaluation Program

Upon receipt of a claim for a sinkhole loss to a covered building, Florida law requires insurance companies to inspect the premises to determine if there has been structural damage that may be the result of sinkhole activity.

If the insurer discovers structural damage which is consistent with a sinkhole loss, or if the insurer is unable to identify a valid cause of such damage, the insurer must engage a professional engineer or geologist to conduct testing to determine the cause of loss within a reasonable professional probability. The professional engineer or



geologist will provide a report of their findings to the insurer.

Following the receipt of the report or the denial of a claim for a sinkhole loss, the insurer is

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Contract Compliance Reminder, a Look at the Sinkhole Neutral Evaluation

Program, FAPIA Conference Registration Info, and Preparing for Natural Disasters through Ready.gov

Our September issue of *The Journal of Public Adjusting* features an assortment of industry information that is the trademark of our publication. First, we want to help you ensure that your client contracts are in compliance. Find out verbatim what the Florida statute requires in, "Florida Legislature Website Provides PA Client Contract Requirements."

Next, with new changes taking effect recently regarding sinkhole claims, we're having a look at DFS information in, "Sinkhole Neutral Evaluation Program Information Available from DFS." Also this time, we have registration and fee information on the upcoming FAPIA Year End Conference.

Finally, with September being National Preparedness Month, we have a timely article on disaster preparedness in, "Ready.gov Gives You and Your Policyholder Clients the Tools to Tackle Hurricane Season and Other Natural Disasters."

Our goal is to give you the information you need to further your success as a PA. Please email us anytime at info@hllawgroup.com with your questions or comments. We're here to help.

Best wishes,

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Ready.gov Gives You and Your Policyholder Clients the Tools to Tackle Hurricane Season and Other Natural Disasters

With September as National Preparedness Month, now is the perfect time to craft an emergency plan in the event of catastrophic weather. Ready.gov can help you formulate a comprehensive safety strategy to protect you, your family and your business. Here's a sample of what the site has to offer:

- Evacuation information and options for protection
- Emergency alert information
- Kids' section so they can take part in the preparation process
- Guidelines on building a basic disaster kit and information on individual disasters such as hurricanes, flooding, thunderstorms and lightning, extreme heat and more including what to do before, during and after each disaster

Businesses Can Keep on Track through Proper Planning

The business section features detailed information including program management, planning, implementation, testing and exercises, and program improvement. There is also information available for download in the form of a business continuity planning suite. Highlights of the suite are outlined below:

The Business Continuity Planning (BCP) training component of the Suite is a 30-minute video-based course which examines the importance of BCP, provides an overview on BCP, and prepares users to write their own plans. It is broken into three segments:

1. What is business continuity planning?
2. Why is business continuity planning important?
3. What is the business continuity planning process?

Upon completion of the training, users should possess a basic understanding of BCP, the process of completing a BCP, and the motivation to complete their own plan using the Suite's BCP Generator.

The Suite's BCP and Disaster

Recovery Plan (DRP) Generators, developed to guide businesses through writing BCP and DRP plans, possess an overall functionality similar to automated tax preparation tools. The BCP Generator builds a plan that guides a company through any disruption to normal operations, while the DRP Generator focuses on developing a plan specific to recovery of information technology systems. A Save and Exit option in both Generators enables users to complete their plans in increments, and a Print option enables users to produce and save hard copies.

The final component of the BCP Suite, a self-directed exercise for testing an implemented BCP, allows users to test their newly implemented business continuity and disaster recovery plans. This Homeland Security Exercise and Evaluation Program compliant table top exercise focuses on a business's recovery efforts following selected business disruptions intended to represent a broad spectrum of threats including hurricane, earthquake, ice storm, and blackout. The goal of the exercise is to improve a business's overall recovery capabilities and actions and the collective decision-making process. It is designed to be an open, thought-provoking exchange of ideas to help develop and expand existing knowledge of policies and procedures within the framework of an organization's BCP implementation.

To learn more about disaster planning, visit www.ready.gov. ♦



FAPIA Year End Conference Registration Now Available

New Florida Insurance Consumer Advocate Sha'Ron James Named Conference Keynote Speaker

Registration is now underway for the FAPIA 2015 Year End Conference taking place at the Reunion Resort in Kissimmee, Florida, November 8 – 10, 2015.

Attendees are encouraged to bring their families as the resort has fun-filled amenities and is minutes away from theme parks. A discounted room block rate is available through Friday, October 16.

Conference fees vary according to registration dates:

FAPIA Member Discounted Registration Fee	\$350	Public Adjusters Only - Non FAPIA Member Fee	\$395
After Wednesday, September 30, 2015	\$395	After Wednesday, September 30, 2015	\$450
After Thursday, October 29, 2015	\$445	After Thursday, October 29, 2015	\$500

For more information, and to register, visit www.fapia.net. ♦

Florida Legislature Website Provides PA Client Contract Requirements

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the percentage of compensation for the public adjuster's services; the type of claim, including an emergency claim, nonemergency claim, or supplemental claim; the signatures of the public adjuster and all named insureds; and the signature date. If all of the named insureds' signatures are not available, the public adjuster must submit an affidavit signed by the available named insureds attesting that they have authority to enter into the contract and settle all claim issues on behalf of the named insureds. An unaltered copy of the executed contract must be remitted to the insurer within 30 days after execution. A public adjusting firm that adjusts claims primarily for commercial entities with operations in more than one state and that does not directly or indirectly perform adjusting services for insurers or individual homeowners is deemed to comply with the requirements of this subsection if, at the time a proof of loss is submitted, the public adjusting firm remits to the insurer an affidavit signed by the public adjuster or public adjuster apprentice that identifies:

- a. The full name, permanent business address, and license number of the public adjuster or public adjuster apprentice.
- b. The full name of the public adjusting firm.
- c. The insured's full name and street address, together with a brief description of the loss.

- d. An attestation that the compensation for public adjusting services will not exceed the limitations provided by law.
- e. The type of claim, including an emergency claim, nonemergency claim, or supplemental claim.

For more information on Florida statutes regulating public adjusters, visit the Florida Legislature website at www.leg.state.fl.us. ♦



www.leg.state.fl.us

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Inside The Journal of Public Adjusting:

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Sinkhole Neutral Evaluation Program Information Available from DFS

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required to notify the policyholder of their right to participate in the neutral evaluation program.

If your insurance company denied a claim for loss or damage based on the results of the testing, or you cannot agree on the method of repair and remediation, you have the option to request a Neutral Evaluation. This alternative dispute resolution process, which involves the use of a state-certified Neutral Evaluator,



is authorized under Section 627.7074, Florida Statutes. "Neutral evaluator" means a professional engineer or professional geologist who has completed a course of study in alternative dispute resolution designed or approved by

the Department of Financial Services (department) for use in the neutral evaluation process and who is determined by the department to be fair and impartial.

If the insurer denied the claim because it concluded there was no structural damage, you must demand testing to determine the cause of loss before you can request a Neutral Evaluation. Your demand for testing must be made to your insurer in writing within 60 days of the claim denial and you must pay 50% of the actual costs of the testing or \$2,500, whichever is less. If a sinkhole loss is confirmed, your insurer will reimburse you. Either the insured or insurer can initiate the use of a Neutral Evaluator if a sinkhole report has been issued.

Neutral Evaluation is mandatory if requested by you or your insurer. The evaluator must be allowed reasonable access to the interior and exterior of the covered building to be evaluated. The insurer is required to pay the reasonable costs associated with the Neutral Evaluation program; however, it is not required to pay for a court reporter hired by the insured. The evaluation is non-binding and does not invalidate the appraisal clause that may be included in your insurance policy. Both parties retain their right to pursue legal action. However, filing a request for neutral evaluation tolls the applicable time requirements for filing suit for 60 days following the conclusion of the neutral evaluation process or the time prescribed in F.S. 95.11, whichever is later.

For additional information on sinkhole claims, visit www.myfloridacfo.com. ♦