

# Claims Frequently Asked Questions

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## **What should I do following a loss?**

Promptly report the loss to your agent, ensure your safety, protect your property from further damage, keep records and receipts for any temporary repairs needed to secure your home, obtain photos if possible, prepare an itemized list of all damaged items to provide to the adjuster, cooperate and assist with the investigation, and maintain copies of all documents submitted to the adjuster for your records. Additional information can be found in the section of your policy labeled "Duties After Loss."

## **What is a Service Provider and what role do they play in servicing my claim?**

Louisiana Citizens Property Insurance Corporation enters into contracts with outside vendors to provide catastrophe services. Our current vendor for catastrophe management is MD Claims Group, and they are responsible for managing your catastrophe claim from the first day it is reported until the date it is finalized. When you report a catastrophe claim, MD Claims Group will assign and manage an independent adjuster to adjust your claim. Louisiana Citizens will oversee the process as well as handle all regular non storm related claims.

## **After I report a claim, when will someone come out to inspect the damages?**

An independent adjuster will be assigned to your claim and they will contact you within 48 hours from the time that you reported the claim to set up an appointment with you to inspect the damage. In large catastrophic events, such as hurricane Katrina, there were delays because adjusters could not access the properties. Typically, the adjustment process progresses as soon as an appointment time can be agreed upon. In the meantime, please remember that your policy requires you to mitigate your damages by covering any holes in the roof with a tarp, cover any exposed property with plastic, cover any broken windows with plastic or wood, remove any tree limbs from the driveway and take photos of the damage if it is possible. Be sure to keep all receipts for any temporary expenses incurred as a result of this loss.

## **What is the coverage on my dwelling?**

Policies can be very different and you will need to refer to your policy to determine applicable coverage and limits or contact your agent for assistance.

## **Why do I need to file a claim? My damages are probably not more than my deductible.**

It is important to report your loss so that an investigation of the coverage and damages are secured in the event additional damages are discovered or a claim is filed against you.

## **Will my claim be covered?**

The coverage you have selected, the limits you purchased, and the cause of loss will determine what coverage will apply. Each loss is considered based on the unique facts of that loss. Your Claim Representative will gather the facts to complete the initial loss report and review. You will be contacted as soon as possible.

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## **What if the facts change or I don't have all the information needed to file a claim?**

You are going to be in contact with a Louisiana Citizens Claim Representative throughout the claim handling process, so you'll have plenty of opportunity to provide additional information. Report your claim as soon as possible so that we can process it.

## **What is a deductible?**

The deductible is the portion of a covered loss you pay before the insurance company becomes responsible for payment under the policy. For example, if the covered claim is \$3,000 and your deductible is \$500, you are responsible for the first \$500 and Louisiana Citizens Property Insurance will pay the remaining \$2,500. There are several types of deductibles that may apply to your policy/loss:

1. An all peril deductible is applied to general losses.
2. A hurricane deductible applies to losses from a hurricane and is a percentage applied to your Coverage A limit on residential properties.
3. A calendar year hurricane deductible is applied on hurricane losses which occur between January and December of any given year.

Deductibles can be complicated and we urge you to talk with your agent to be sure that you understand what deductibles apply, how deductibles can be limited during the calendar year and when they will be applied to a loss.

## **Can I work directly with my agent?**

Yes, you may work directly with your agent should you desire to do so. However, in order to assess the damages and resolve the claim, you and your agent will need to work with your Claim Representative.

## **If I have to evacuate, am I eligible for a payment?**

If you are required to evacuate your property in the event of a hurricane, you may be entitled to "Additional Living Expense" (ALE), if it is covered per your policy. Contact your agent to file an ALE only claim. In all situations, you must submit your incurred expense receipts to your Claim Representative or your assigned adjuster. The Claim Representative will review, and if eligible, reimburse you in accordance with the terms and conditions under your policy.

Additional living expense is any necessary increase in expenses in order to maintain a normal standard of living. Your policy does not cover ALE if your home is unlivable due to flood, because flood is not a covered peril under the homeowner's policy.

## **Do I have coverage to stay in a hotel?**

If you sustain a loss covered under your policy which results in your home becoming uninhabitable, then you may qualify for any necessary increase in your living expenses under the additional living expense clause in your policy. Your Claim Representative will review and assist you with this process.

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## **When will I receive the adjuster's report?**

Once the Claim Representative reviews the estimate, a copy of the adjuster's report will be sent by the Claim Department along with an explanation of the settlement. All estimates are subject to review and approval by the Claim Representative to ensure that coverage applies and damages claimed are covered under the policy.

## **My neighbors tree fell on my house/fence, is it covered under my policy?**

Both you and your neighbor should contact your own insurers to file a claim.

## **Can I repair my roof before an adjuster arrives?**

No, you must wait to begin your repairs. We must have an adjuster inspect your property to assess the damages. However, your policy requires you to mitigate your damages by covering any holes in the roof with a tarp. Take photos if possible and retain all receipts for any temporary expenses incurred as a result of this loss.

## **Does my homeowner's policy cover damage caused by flood?**

Your policy does not cover flood damage. However, if you purchased flood coverage through National Flood Insurance Program, your damages may be covered. You may contact your agent or the [National Flood Insurance Program](#)

## **What should I do about water (or other elements) currently coming into my home as a result of the damage?**

Please remember that your policy requires you to mitigate your damages by covering any holes in the roof with a tarp, cover any exposed property with plastic, cover any broken windows with plastic or wood, remove any tree limbs from the driveway and take photos of the damage if it is possible to do so without putting yourself in harm's way. Lastly, please retain all receipts for any temporary expenses incurred as a result of this loss.

## **How can I check the status of my claim?**

Contact your agent or Claim Representative to obtain the status of your claim.

## **What if additional damages are found?**

If additional damages are found, contact your Claim Representative for assistance. They will determine if a reinspection of the property is required for payment consideration.

## **Why is the mortgage company included on my claim payment?**

By the terms of your policy, Louisiana Citizens Property Corporation is required to include or pay every person or organization (such as your mortgage company) that has an insurable interest in the property and is entitled to receive payment. This means that if you have a mortgage, your mortgage company may be required to be listed on any building related claim payment.

## **Do I have to send my settlement check to my mortgage company for endorsement?**

Contact your mortgage company directly to determine its process for endorsement. You may be able to locate a local branch to assist you.

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## **The mortgage company listed on my check is incorrect. What do I do now?**

Return the check to your Claim Representative with any supporting documents to make the changes on your policy. You may also provide your documentation including your check to your agent. Your agent will forward all documents to Louisiana Citizens Property Insurance Corporation to update your policy and request the reissue of your check.

## **What do I do if the bank won't cash my settlement check?**

There may be several reasons why the bank may not cash your settlement check. Banks usually require that all payees listed on the check, endorse (sign) the check. Every bank has its own guidelines, and you will need to ask a bank representative for an explanation if they are not willing to cash your check.

## **What do I do if the mortgage company informs me that it will not release the funds, endorse the check or mail it back to me?**

Each mortgage company has its own guidelines. You must contact your mortgage company directly to discuss its guidelines for releasing claim payment(s) and to determine whether you may receive a portion of the funds to begin repairs to protect the property.

## **What kinds of records are needed to substantiate a homeowner claim?**

The better your records are, the quicker and more accurate your settlement will be. Photos, purchase receipts on newly acquired items, and appraisals on unique property will assist. A photo inventory of the inside and outside of your home is an excellent way to properly and completely account for your property. Remember to store the photos in a safe place away from home.

## **What is the difference between Actual Cash Value and Replacement Cost?**

Actual cash value is typically defined as replacement cost less depreciation. Depreciation is a deduction taken based on the age, current condition, and useful life of each item involved in the loss. If you have replacement cost coverage under your policy, the depreciation withheld may be paid within 180 days after the date of loss with supporting documentation for the repair or replacement of each item.

## **Are we insured for replacement cost for our contents?**

The standard homeowner policy covers your personal property at actual cash value. This means your personal property settlement will be depreciated based on the current age and condition of each item. Replacement cost coverage can be purchased through a separate endorsement. This endorsement will provide full replacement cost coverage for most of your personal property. Some property, such as jewelry, stamps, coins, guns, and silverware, has special dollar limits specified in your policy.

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## Inspection Checklist

For your protection, ask for and check the adjuster's ID.

### **Here's a short list of things to do before your claim adjuster arrives:**

- Copy and label your property damage photos.
- Collect and copy your original temporary repair receipts.
- Keep any damaged items or 'parts' of damaged items or equipment that may have contributed to your claim (i.e., a toaster that caught fire and damaged your kitchen cabinets).
- Locate your current mortgage loan number and mortgagee clause/address. This information is on your current mortgage statement or you can call your mortgage company. This information is required and will assist Louisiana Citizens Property Insurance Corporation in processing your loss payment check accurately and without unnecessary delay.
- If you can't be home at the time of your inspection, be sure that the person you've designated to be there knows the scheduled time and date, and has access to your property.
- You may want to keep any pets out of the way of the adjuster.

## Preparing for Your Inspection

### **Your safety is our first priority**

- If you or any authorized persons (i.e., police, fire or government agency) believe that the inspection location is unsafe, please allow our trained adjusters to inspect and assess the damage to your home.

### **Document the damage with photos**

- To prevent further damage, you may need to make temporary repairs to your home. Before you make any changes or remove any damaged contents from your home, you should take photos. Your adjuster will need these photos to document your claim properly.

### **Prevent further damage**

- If safety and common sense allows, try to prevent further property damage by making temporary repairs wherever possible.
- If necessary, remove wet carpet from your home to prevent mold. Make sure to provide at least a 2'x 2' sample of the carpet and pad to your claim adjuster.
- Your claim adjuster will estimate the damage to your house, but sometimes it's necessary to have an engineer or repair-experienced contractor also inspect for damage. Feel free to obtain your own contractor's estimate.

### **Keep your receipts**

Request and copy original receipts for all purchases or services needed to make temporary or emergency repairs. Save receipts for your additional living expenses. Save the copies for your personal records and give the original receipts to your adjuster. Prepare a list of lost and damaged items using our Personal Property Inventory forms attached.