

Insurance Damage Repair - Bill of Rights

Fire and Water Damage disrupts the normal pattern of life, and can involve a lot of emotional stress. People often feel confused and vulnerable after events of this type. However, it is important to make good decisions, because you will be living with the results long after the stress and confusion have passed.

As Professional Restoration Contractors we believe that the public interest is best served if people have an understanding of their rights and the alternatives available to them, when insurance damage and repair work are involved.

Your insurance policy is a CONTRACT between you and the insurance company. It entitles you to certain rights and imposes certain obligations. As Certified Professional Contractors, we have prepared this BILL OF RIGHTS so that you may better understand the policy you have purchased, and how it relates to the repairs you may undertake. The standard Homeowners policy generally contains the same provisions throughout the United States and Canada; here are some of your rights and obligations under its terms:

1. YOU MAKE, TAKE, AND BE FULLY COMPENSATED FOR, THE COST OF EMERGENCY STEPS TO SAFEGUARD YOUR PROPERTY FROM FURTHER DAMAGE AFTER A LOSS....in fact, you have an obligation to do so under the terms of your policy. The insurance company may not be liable for additional expenses if you fail to provide such protection.

2. IF YOU HAVE SECURED ADEQUATE COVERAGE, YOU ARE ENTITLED TO BE PAID FOR THE FAIR COST OF FULLY RESTORING YOUR HOME TO ITS PRE-DAMAGE CONDITION.....however, you are not insured for the repair of unrelated problems, code deficiencies, or prior damage.

3. YOU ARE ENTITLED TO EMPLOY AND SHOULD INSIST UPON A FULLY LICENSED AND INSURED REPAIR FIRM OF GOOD REPUTATION.... however, if you do not choose to employ such a firm, the consequences and liability for any injury, damage, or other action may rest with you.

4. YOU ARE ENTITLED TO EMPLOY A FIRM WITH SUFFICIENT EXPERIENCE AND STABILITY IN THE COMMUNITY TO STAND BEHIND ITS WORK AND WARRANTY RESPONSIBILITIES....THE REPAIR CONTRACT AND ITS PERFORMANCE IS STRICTLY BETWEEN YOU AND THE CONTRACTOR. Your insurance company does not warrant or guarantee the performance of any firm you hire.

5. YOU ARE ENTITLED TO MATERIALS AND WORKMANSHIP FULL EQUIVALENT TO YOUR EXISTING INSTALLATION IN LIKE KIND AND QUALITY....the insurance company has no obligations to improve your existing installation, of course.

6. YOU ARE NOT REQUIRED TO ACCEPT THE LOWEST BIDDER. NO WHERE IN YOUR POLICY DO THE WORDS "CHEAPEST", "LOW", OR "LOWEST PRICE: OCCUR....however, repair rates should correspond to prevailing standards in your area for work of good quality.

7. YOU ARE ENTITLED TO RECEIVE A DETAILED LISTING OF THE SCOPE OF REPAIRS AND QUANTITIES OF MATERIALS TO BE PROVIDED, BEFORE WORK BEGINS....also, provision for hidden or latent problems relating to the damage should be spelled out in as much detail as possible.

8. YOU ARE ENTITLED TO AND SHOULD REJECT ANY CONTRACT THAT DOES NOT INCORPORATE ALL FEDERAL, STATE, AND LOCAL REQUIREMENTS FOR RESIDENTIAL CONSTRUCTION WORK....however, you must be familiar with these requirements in order to enjoy the protection the law provides. Ask an Industry Certified Restoration Contractor for this important information.

9. YOU ARE ENTITLED TO SELECT A FIRM WHO CAN DEMONSTRATE SKILL AND EXPERIENCE IN INSURANCE DAMAGE REPAIR AS A FULL TIME PROFESSIONAL SERVICE....ask for references, credentials, and association memberships that indicate professional training and status in insurance repair, as contrasted with ordinary home improvement work.

10. IF SUBSTANTIAL DISAGREEMENT ARISES BETWEEN YOU AND THE INSURANCE COMPANY, OVER THE AMOUNT OF THE LOSS, YOU ARE ENTITLED TO REQUEST ARBITRATION ("APPRAISAL") AS DESCRIBED UNDER THE TERMS OF THE POLICY. LINES 123-140 OF THE STANDARD HOMEOWNERS FORM SPELL OUT THESE PROCEDURES FOR SETTLING DIFFERENCES WITHOUT RESORTING TO LAWSUIT....the company also is entitled to this provision, which may be invoked at any time prior to settlement, whether or not you have received advance payments.

11. YOU ARE ENTITLED TO RECEIVE PAYMENT FROM THE INSURANCE COMPANY WITHIN THE TIME SPECIFIED BY THE POLICY AND YOUR STATE INSURANCE REGULATIONS, WHICH ARE DESIGNED TO PREVENT INSURANCE COMPANIES FROM USING DELAY AND PERSONAL HARDSHIP TO COMPEL A LOWER SETTLEMENT....however, the policy also has time requirements for the policyholder, within which you must prepare and submit your claim. Ask your adjuster or agent about these at the outset, so that you can be in compliance.

SINCE YOU ARE THE POLICYHOLDER, ONLY YOU CAN DEMAND THAT YOUR INSURANCE COMPANY LIVE UP TO ITS OBLIGATION UNDER THE POLICY. As Professional Restoration Contractors, we recommend that you do so, out of a strong conviction that fair dealing, good workmanship, and ethical business practices benefit the insurance industry just as they benefit the public at large.

NOTE: This "Bill of Rights" has no intended objective other than to inform any interested parties to their rights and/or obligations when involved in an insurance repair claim.