

Settling an Insurance Claim: When to Hire a Professional

CBS News

A few days ago I wrote about how to challenge the first offer your insurance company makes in respect to a claim you have filed. In that column, I stressed the importance of carefully reviewing the adjusters report and using the documentation you gathered to make your case for a larger claim settlement. But if you have a very large insurance claim or there is a significant difference between what the adjuster says the insurance company will pay and what you believe should be paid under your policy, you may want to consider getting a professional to help you.

Consider a Public Adjuster

One such claims professional is a Public Adjuster, or PA. This is a person who is licensed to represent insureds claims for the purposes of seeking a full and timely settlement of the claim. In a claim dispute, since the burden of proof is on the insured, a PA will document the loss, gather supporting replacement cost information and negotiate with the insurance company to maximize your settlement. You can find out more about PAs by logging on to the website for the National Association for Public Insurance Adjusters.

When to Lawyer Up

If your insurance company is digging in its heels and you are getting nowhere, you may have to resort to hiring an attorney. Don't seek the counsel of a family lawyer, but instead seek an attorney who specializes in the practice of law in the areas of Plaintiffs Insurance Coverage or Bad Faith Litigation. The insurance company will use a very skilled insurance defense attorney to represent them and your attorney should be a worthy opponent. Check with the American Bar Association to locate an attorney in your area, or ask for a referral for attorneys who specialize in this area of the law.

The downside with hiring a PA or an attorney is that you will pay additional costs. PAs and a Plaintiffs Insurance Attorney typically charges either a fee as a percentage of your settlement proceeds (ten to 33 percent) or hourly rates that can range from \$75 to \$350 per hour.

As should be done before hiring any professional, ask for and check client references of any PA or

attorney before you agree to retain their services.

The following excerpt from the United Policy Holders web site sums it up well: "If you can communicate effectively in writing and in person with your insurance company, with confidence, polite aggression, and insistence on your rights, you may not need an attorney or a PA).. If you are feeling frustrated, angry or anxious or are unsure about your rights, a qualified attorney or PA) can help."