

[The Black Forest Fire has attracted insurance pros — for better and worse](#)

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The flier called it a “Town Hall Meeting for Black Forest Fire Residents.”

But this wasn’t a town hall in the traditional sense. No elected official or governmental staff member was scheduled to speak. El Paso County officials, in fact, say they had nothing to do with meetings scheduled for earlier this month at La Foret Conference Center, nor did any nonprofit, or even an insurance company.

Rather, the “town halls” were put on by Florida-based Loss Analytics, a private company offering “public adjusters” paid to represent disaster victims to their insurance companies. Loss Analytics did not return phone calls seeking comment. A La Foret spokesperson says his staff originally thought the meetings were being hosted by a nonprofit.)

Public adjusters — who work on behalf of victims, as opposed to “insurance adjusters” or “claims adjusters,” who work for insurance companies — tend to flock to disaster areas, eager to sign up clients who will fork over a percentage of their insurance claim in exchange for services. At times, adjusters host meetings that victims may mistake for official affairs, a practice that’s drawn criticism.

“There are people [who hold meetings] that have been reported to insurance commissioners,” says County Commissioner Darryl Glenn, not speaking specifically of Loss Analytics.

In fact, back in November, the Denver Post did an exposé on public adjusters targeting victims of the Waldo Canyon Fire. It mainly focused on Pete Romero, a public adjuster who ran a nonprofit on the side that held meetings locally to “help” victims. Romero defended his nonprofit, but others quoted in the article saw it as a less-than-honest way to drum up business.

Glenn says some Waldo victims feel they were ripped off by such adjusters, often due to excessive fees or poor service. And he’s worried about a repeat in Black Forest.

Sorting it out

After Waldo, the city set up Colorado Springs Together, a nonprofit dedicated to helping those who had suffered losses. While it offered some meetings on insurance, the group refused to host United

Policyholders, a well-known nonprofit that has provided assistance to disaster victims nationwide.

“What we’ve tried to do is kind of keep a distance, avoid getting in the middle of the policyholder-insurance discussion,” executive director Bob Cutter said at the time.

El Paso County has had to strike a similar balance since the Black Forest Fire. Glenn says that early on, Commissioner Peggy Littleton wanted to organize a meeting with people in the insurance/adjusting business. But the Board of County Commissioners decided to stick to meetings featuring government experts and United Policyholders representatives.

Amy Bach, executive director of United Policyholders, says she’s often concerned about for-profit businesses trying to “masquerade” themselves.

“It’s black and white,” she says. “You’re either in business to make a profit — and just flat out admit it — or you’re in business as a nonprofit.”

Bach says that ultimately, victims need to be their own advocates. “It’s absolutely heartbreaking that there are business people that think it’s OK to deceive disaster victims to get business,” she says. “But wake up and smell the coffee — that’s the modern world.”

Not all bad

Of course, Bach notes, if some public adjusters are rotten, that doesn’t mean they all are.

In some cases, ethical, qualified public adjusters can be invaluable. For one thing, they can attend meetings with insurance providers, read contracts, organize claims, and take phone calls. A good adjuster can’t act as a lawyer, but will be well-schooled in insurance-policy intricacies, and able to pinpoint exactly how much money is due to the homeowner and advocate for every cent.

That said, Bach believes many people can get a fair settlement from their insurance company on their own. She adds that people ought to try to handle the situation themselves — or at least allow a few weeks to pass after a disaster — before they seek an adjuster.

If they do, Bach says, they should look for one who’s bonded and licensed. (The Colorado Division of Insurance should reveal any complaints and the status of the license.) She also finds local adjusters to often be a better choice, and recommends homeowners ask for at least two recent references.

Bach’s also a fan of the Rocky Mountain Association of Public Insurance Adjusters, a trade group created to bring more rules and standards to Colorado public adjusters. President Scott deLuise (who is also the president and CEO of Matrix Business Consulting in Broomfield), says group members already meet the strict ethical standards that will become law in 2014, due to state legislation pushed for by the Association.

“When we formed the organization we immediately started working with the Colorado Division of Insurance to reform public adjuster laws because of what happened in Waldo Canyon,” he says, noting

that Colorado's existing regulations are lax.

DeLuise says he was saddened to hear of unethical practices during that fire, especially because he believes public adjusters can be wonderful advocates for victims. In fact, when he was a college student, an arsonist burned down his fraternity house. He hired a public adjuster to help him settle the claim, and was so impressed by his work that he bought the man's business. He's been a public adjuster ever since. "I would say one out of 20 homeowners gets through the insurance process without pulling their hair out," he says, adding, "We help people."