

Unscrupulous Insurers Are Stalling Sandy Recovery

City & State

Three years ago, New York City was devastated by Superstorm Sandy. While we are making progress in the post-Sandy rebuild and recovery, too many New Yorkers are still fighting with their insurance companies about what type of damage is covered. And many have simply given up and accepted the pitiful settlement their insurance company paid.

Take one Midland Beach resident, who had just retired after a distinguished career as a court officer. When Sandy hit, his home flooded instantly. Within seconds it was filled with 13 and a half feet of water. He and his wife were confined to their upstairs room for three days while waiting for search and rescue. Then came a second wave of devastation. Despite having paid for flood and homeowners insurance for years and years, his insurance company paid only \$800 of the \$200,000 worth of damage. The company's excuse? By the time their adjusters arrived, the water had receded and they insisted there wasn't any water on the first floor, even though there was clearly flood-related damage. They called it a "minor claim."

One may say, "Well, he can always hire a lawyer and sue." But in New York, that just isn't true. New York's laws are outdated and make it way too hard and expensive to hold an insurance company accountable in court. Homeowners have little recourse when they're lowballed on a claim - if they take an insurer to court and win, the insurer only has to pay what they would have originally owed, nothing more. That means even if the homeowner wins, they lose. They can't recover legal expenses and they can't recover any of the related losses they incurred because of an insurer's misconduct.

In other states, this isn't the case. Insurers know that if they drag out payment on justified claims they will be responsible for all the harm they've caused. As a result, insurance customers in those states get the money they're owed in a much more timely fashion and don't have to go to battle with insurers just to rebuild their lives with the benefits they're owed.

New York needs to join these states and pass the insurance fairness bill, sponsored by state Sen. Andrew Lanza. It will create the level playing field that exists in other states and prevent unscrupulous insurers

from denying or delaying payment on valid claims.

When you look around Staten Island, there is far too much evidence that insurance benefits did not contribute to Sandy recovery as they should have. It should not take this long to recover from a storm and for insurers to pay families what they're owed. Homeowners throughout our state deserve better.

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