



Collecting what you're owed: Strategic guidance from an insider and an advocate

Q & A with public agency experts

Roadmap to Recovery Workshop #9
Unitarian Universalist Church
547 Mendocino Ave., Santa Rosa

Thank you to tonight's partners

- Tipping Point Community Emergency Relief Fund
- City of Santa Rosa
- Sonoma County
- Tony Cignarale, CA Department of Insurance
- Unitarian Universalist Church
- Chris Remedios, Financial Planning Ass'n.
- Coffey Strong, Vita Iskandar
- Wendy Wheelwright, MFT

About United Policyholders

- 501(c)3 non profit organization.
- A voice and an information resource for consumers in all 50 states.
- A 26+ year track-record and subject matter expertise in insurance and disaster recovery
- Not for profit...not for sale.
- Funded by donations and grants.
- A volunteer corps with personal and/or professional expertise in disaster recovery and insurance.

The Fine Print

- This workshop is intended to be general guidance only, not legal advice.
- We don't endorse or warrant any of the sponsors listed at www.uphelp.org or speakers at our workshops.
- Our speakers are volunteering their time as educators.

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News

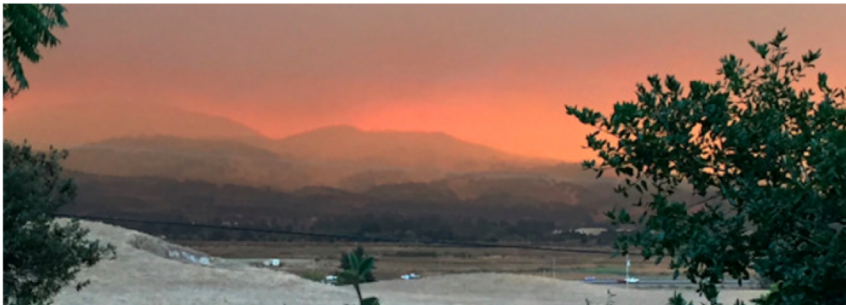
- Bach Talk
- UP in the News
- Tip of the Month
- UP Newsletters
- Studies and Reports
- Recovery Surveys

What people say about UP

"I can't thank you enough for watching all the fine print and ensuring what we need."
Fire Survivor 2013

North Bay Fires - Insurance Claim Help

by United Policyholders



On this website and through the Roadmap to Recovery program you will find tips, tools and resources relevant to the 2017 North Bay wildfires. Our main focus is on helping you navigate your insurance claim toward a full, fair and prompt settlement. We also offer guidance on debris removal, temporary living arrangements, government aid, construction issues, hiring professional help, and deciding how and if you will repair, rebuild or buy a replacement home.

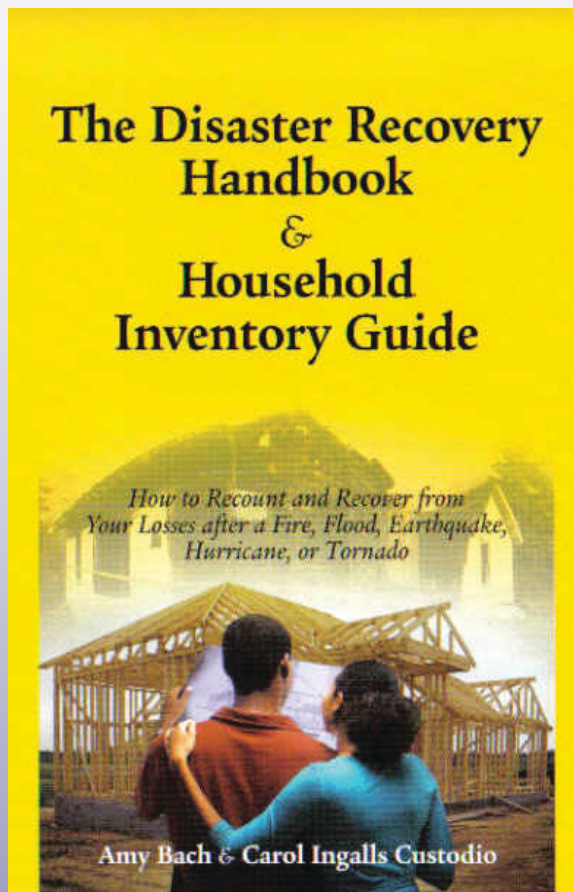
*Thank you for taking our Wildfire Recovery Survey
The results are being tabulated*

Upcoming Free Events:

www.uphelp.org/NorthbayFires

- Schedule of upcoming events
- Useful publications and articles
- Videos of previous workshops at bottom of page

R2R Guidance and tools:

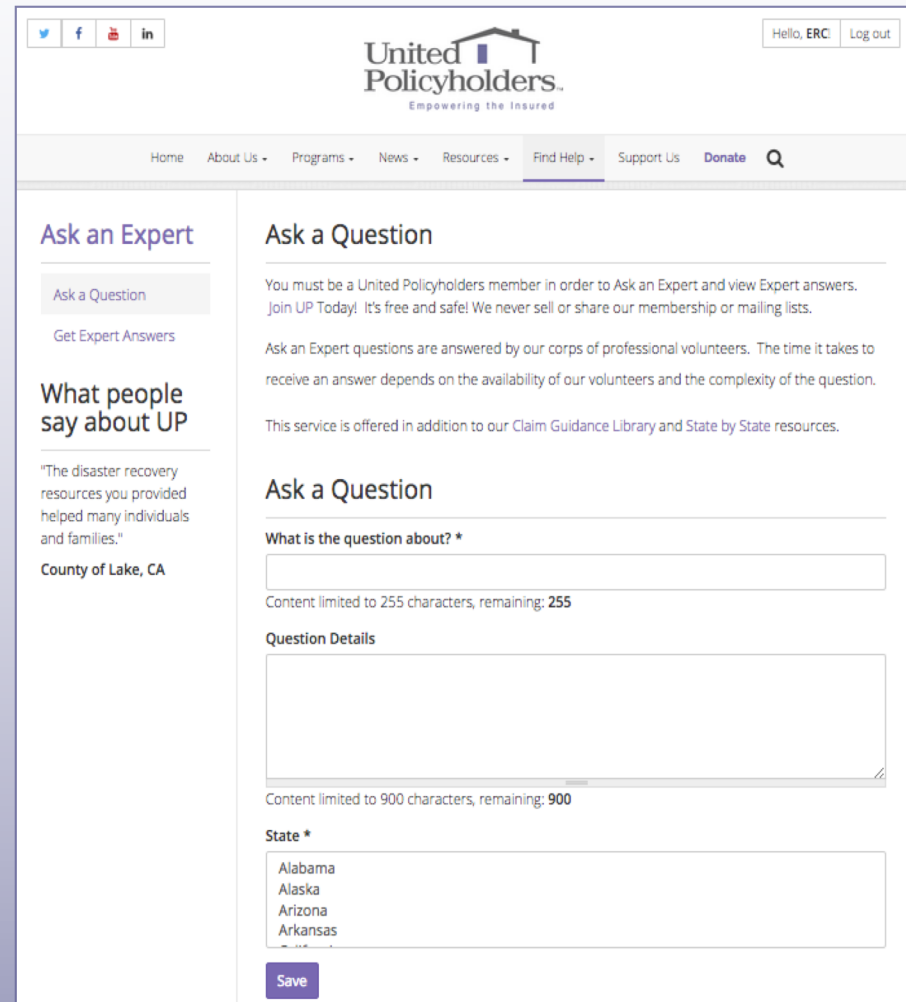


“The Little
Yellow
Book”

“Ask an Expert Forum”

www.uphelp.org/ask-an-expert

- Register. It's free.
- Write in your questions.
- Get an answer from an expert in construction, insurance, laws and disaster recovery.
- Your name stays private



The screenshot shows the 'Ask an Expert' forum page on the United Policyholders website. The page features a navigation bar with links for Home, About Us, Programs, News, Resources, Find Help, Support Us, and Donate. The main content area is divided into two columns. The left column has a section titled 'Ask an Expert' with a button to 'Ask a Question' and a link to 'Get Expert Answers'. Below this is a quote from the County of Lake, CA, praising the disaster recovery resources provided. The right column has a section titled 'Ask a Question' with a warning that users must be members to ask questions. It includes a form with a text input field for the question (limited to 255 characters), a larger text area for question details (limited to 900 characters), and a dropdown menu for the state (with options for Alabama, Alaska, Arizona, and Arkansas). A 'Save' button is located at the bottom of the form.

24/7 help on the web:

www.uphelp.org

■ Insurance Claim Help

- Recovery Blogs:

www.uphelp.org/Northbayfires

- Claim Help Library

- Guides for overcoming obstacles

- Links to Government and Professional help

- Tips from past disaster survivors

- Sample Letters and Claim Forms

The screenshot shows the homepage of United Policyholders. At the top, there are social media icons for Twitter, Facebook, YouTube, and LinkedIn, along with 'Login' and 'Register' buttons. The main navigation menu includes 'Home', 'About Us', 'Programs', 'News', 'Resources', 'Find Help', 'Support Us', and 'Donate'. A large banner image features a couple standing in front of a destroyed house on the left and a new blue house on the right. Below the banner, the 'Recovery' section states: 'helping people and businesses navigate the insurance claim process'. The 'Welcome to insurance help' section describes United Policyholders as a non-profit 501(c)(3) and includes a 'Learn More' button. The 'Services' section lists: 'Ask an Expert', 'Find Help Directory', 'Claim Help', 'Home Inventory App', and 'Tip of the Month'. The 'Disaster Recovery Help' section features four cards: 'South Carolina Flood Help', 'Northern California Wildfires 2015 - Butte, Valley, Rocky', 'Alaska Wildfire - Insurance Claim Help', and 'May 2015 Texas Flooding'.

Here tonight:

- **Amy Bach**, Policyholder Advocate
- **Sandra Watts**, ResolvedSF, ex-State Farm Claim Mgr./Specialist
- **Tony Cignarale**, Deputy Comm'r, CA Dept. of Insurance
- **Nathan Quarles**, County Rebuilding/Permit Sonoma
- **Steve Jensen**, Santa Rosa Resilient City Permit Center
- **Michael Gossman**, County of Sonoma, Government-sponsored debris removal program insurance reimbursement information
- **Ben Horenstein**, City of Santa Rosa Water Department Director
- **Wendy Wheelright**, MFT, Sonoma County Behavioral Health

Roadmap to Recovery

6 Month Check In

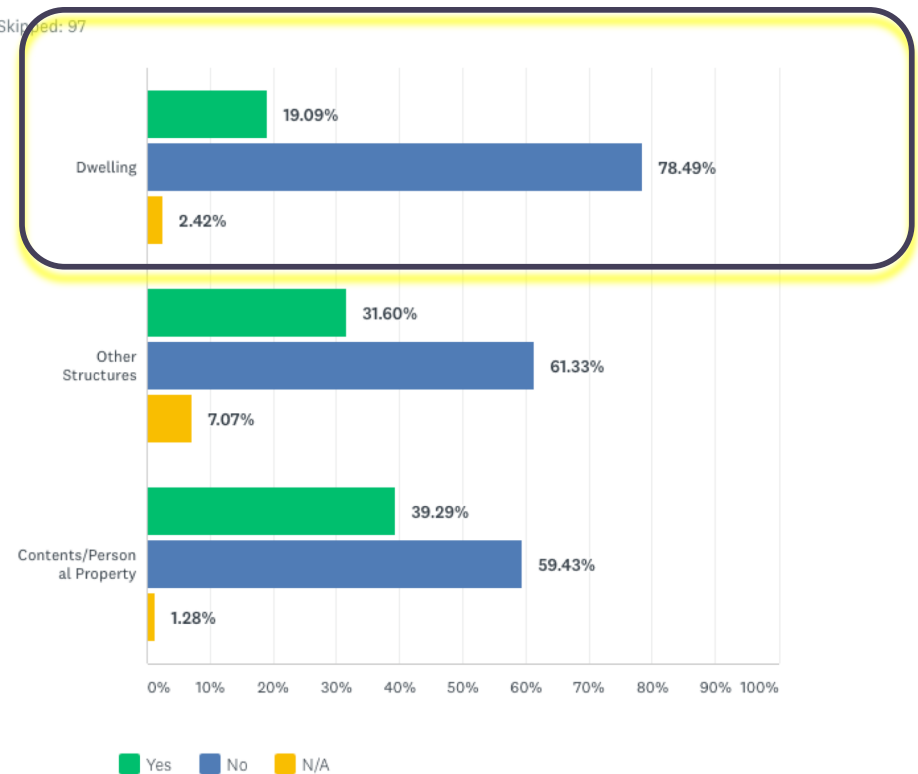
- Thank you for completing our survey.
- Results are available at www.uphelp.org/surveyresults
- Data will help us customize our support resources and advocate in the State Legislature and in public policy forums
- Want to share your story with the media or elected officials? Email emily@uphelp.org

6 months in...

- 80% of survivors surveyed have not yet settled the dwelling portion of their claim
- 66% of survivors surveyed report being underinsured on their dwelling

Do you consider any portion of your insurance claim "settled" ? (Benefits paid in full)

Answered: 709 Skipped: 97



Keep up that paper trail

- A letter to your insurance adjuster should:
 - Confirm you are cooperating
 - Tell them what you need/want and why
 - Ask what they need from you to resolve your claim
 - Point out specific things they have/haven't done that are holding up resolution of your claim
 - Politely remind them about your situation
 - Give them a specific time frame to reply/comply
- Follow up

Negotiation - Best Practices

- Keep it professional
- Be concise and specific
- Bold or bullet point your requests
- Avoid long paragraphs
- Use good grammar and punctuation
- Promptly respond to reasonable requests
- Confirm your willingness to cooperate, explain why you can't fulfill an unreasonable request
- Avoid venting frustrations and emotions

Your Personal Leverage

- Sudden tragedy turned your life upside down
- You're doing your best with the MANY details
- Special circumstances (Senior Citizen, commuting worker, working parent, young kids, business owner, disabled/ill, etc.)
- You lost a life's worth of possessions
- Good help is extra hard to find now, prices are much higher
- Records are all gone and painstaking to recreate

Your legal/political leverage

- The Fair Claim Regulations (CCR 2695)
- Unfair Ins. Practices Act (Ins. Code 790)
- Bad faith principles in CA case law:
 - Duty of good faith/fair dealing
(be reasonable)(duty to settle fairly)
 - Pay undisputed amounts promptly
 - Insurer \$ interests on a par with yours
 - Continuing duty of good faith even post suit
- Media exposure, pending legislation, UP survey

The Big Six

- Underinsurance
- Home Inventory Proof / Waiver
- Valuation Disputes (lowball dwelling estimate or estimate based on appraisal)
- 2695.9
- Buy vs. Rebuild
- What coverage is available and when?
- Delays and conflicting info (Rotating Adjusters, lack of communication)

Which path to take...

Type of Issue	Negotiation	Filing a Complaint with CA DOI	Mediation	Appraisal	Legal Help
Coverage Limits - Underinsurance	✓	✓			✓
Payments owed: (How much and when payable)	✓	✓	✓	✓	✓
Replacing by buying not rebuilding	✓	✓			
Valuation Dispute (lowball estimate)	✓	✓	✓	✓	✓
Home Inventory Proof / Waiver	✓ Use UP survey results	✓			
Conflicting info/inconsistent positions by adjuster	✓	✓	✓		✓

Negotiating via Paper Trail (Coverage Issues)

Dear (name of adjuster),

Please provide an update on the dwelling portion of my claim. On (Date) I submitted a contractor's estimate to you from (XYZ Contractor) in the amount of \$xxx,xxx. There is a (\$xxx,xxx) dollar difference between your original dwelling payment and this estimate.

Please send payment for the replacement cost amount of (\$ difference btwn original amount and replacement cost amount) within 2 weeks.

The facts and your leverage:

As you know, I paid for extended replacement cost *and* coverage for required code upgrades. The estimate from XYZ Contractor shows that even with (ERC ___%) and code upgrade coverage I am underinsured by at least \$xxx,xxx.

I look forward to receiving my full dwelling coverage limits including all extended and additional benefits by the end of the month so I can make the decisions I need to make on how to get back home.

and...

If you will not be issuing payment of full policy limits, please explain in detail why

It is my understanding my first ACV payment was calculated using real estate appraisal method. If you do not plan on paying my policy limits based on my contractor's replacement estimate, please confirm that you are willing to pay for a "scope of loss" to be prepared

Negotiating via Paper Trail (Claim Issues)

- Document unreasonable delays, claim handling reg/law violations
- Clearly explain the balance of benefits owing and why you're entitled to them
- Document rotating adjusters and why it's a problem (3 in 6 mos. = status report)
 - Refer to your claim diary
 - Be as specific as possible
 - Go up the chain of command

Go “up the chain” until the disputed issue is resolved...

- If you are unable to resolve an issue with your adjuster, go above his/her head “up the chain” within the insurance company.
- The higher you go...the greater your chances of success in resolving your dispute.

If possible, meet in person with with your adjuster and your contractor

- Your contractor should be able to stand behind his/her numbers
- Make sure you have as much detail on sub-contractors as possible
- If your contractor cannot/won't put the time in to prep a detailed scope and estimate w/sub-bids to compare against the insurers' estimate(s), hire a Scope pro. Ask insurer to pay for it as a claim prep expense

Filing a complaint with the DOI boosts your leverage

- Make sure a summary letter is at the top of your file
- www.insurance.ca.gov 1-800-927-4357

54% of UP survey respondents reported having a problem with their insurance company.

Of those respondents only 25% have filed a formal complaint with the California Department of Insurance.

Mediation

Mediation is an informal, voluntary, non-binding process for conducting settlement negotiations between you and your insurance company.

Can be fast and inexpensive if your dispute is ripe for mediation and you're prepared and empowered

Mediation “Pros”

- Inexpensive
- If you don't like the result, you can walk away
- Efficient way of putting the dispute behind you and moving forward
- Educates both sides about the strengths and weaknesses of their positions

Mediation “Cons”

- Insurance company may not be seriously interested in settling, but uses mediation to gather evidence and test the strength of your legal case
- Mediator may inappropriately discourage/scare the policyholder to force a settlement
- Mediator may tell insurance company things you ask them to keep secret
- Insurance rep may take advantage of your inexperience with the mediation process and legal concepts
- You may leave the mediation feeling it was a waste of time and money

Appraisal

- Most property insurance policies contain wording that allows **disputes over the amount/value** of a loss to be resolved by a process called "appraisal." Public adjusters often use appraisal for leverage and to settle.
- An insurance appraisal is a mini-arbitration of sorts. Each side picks an appraiser then there's one umpire.
- An insurance appraisal can determine the scope and severity of a loss (what was damaged and how badly) and the value of the loss (how much repairs should cost). You wouldn't use appraisal to determine fault for underinsurance, e.g.

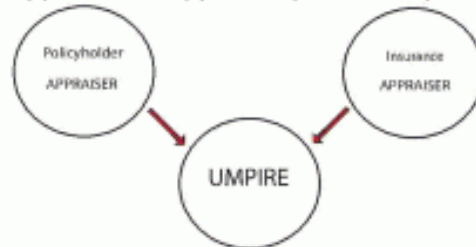
Insurance Appraisal Simplified

STEP 1 → A dispute arises over the VALUE and/or EXTENT of an insured loss

★ Coverage disputes generally cannot be resolved through appraisal

STEP 2 → Each side (insurer and insured) picks an appraiser, the appraisers pick the umpire/neutral

★ If parties can't agree on an umpire, court will appoint



★ Rules vary state by state on appraiser qualifications, selection, hearing process and costs

STEP 3 → The two appraisers try to reach agreement on some or all items in dispute

STEP 4 → As to remaining issues, the appraisers and umpire review documents, photos, evidence

STEP 5 → Deliberations/Voting

STEP 6 → 2 out of 3 agree and write up and sign their decision OR 3 out of 3 agree (unanimous)

STEP 7 → DECISION/"AWARD"

★ Appraisal findings are generally called an "award"

STEP 8 → Deliver Decision/Award to carrier and insured to trigger payment or enforcement of the award

★ Unconfirmed= Force/effect of a contract

Confirmed by a court =Enforceable judgment

Types of Professional Help

- Licensed Attorney
- Licensed Public Adjuster
- Licensed Contractor
- Licensed or Unlicensed Construction Estimator/Consultant/Scope preparer
 - Fees range from free to \$4k to % of project
 - Can they defend/negotiate on your behalf?
 - Is their work better than Xactimate, how/why?

Litigation

Multi-plaintiff/class action/Unfair practice/Fraud

Systematic underinsurance, improper software

Systemic fraud

Improper depreciation

Disparate treatment

Utility negligence/liability

Individual

- E & O claim vs. agent/broker
- Breach of contract/covenant of GFFD

Guidance available in the UP Claim Help Library at www.uphelp.org/disputeresolution

- Speak UP: Going up the chain of command
- Insurance Appraisal Simplified
- A Policyholders Guide to Mediation
- Hiring Professional Help
- Sample Letters (www.uphelp.org/sample)

City and County Permit Centers

CITY OF SANTA ROSA RESILIENT CITY PERMIT CENTER

Steve Jensen, Santa Rosa Resilient City Permit Center

100 Santa Rosa Avenue, Room 6, Santa Rosa

Hours: Monday - Friday, 8am-5pm

Email: rebuild@srcity.org

Phone: 707-543-4649

www.srcity.org/rebuild

COUNTY OF SONOMA RESILIENCY PERMIT CENTER

Nathan Quarles, County Rebuilding/Permit Sonoma

2550 Ventura Avenue in Santa Rosa

Hours: Mon, Tues, Thurs, Fri 8am – 4pm/ Wed 10:30am – 4pm

Email: Rebuild@sonoma-county.org

Phone: (707) 565-1788

www.sonomacounty.ca.gov/Rebuilding

Code Upgrades



www.SonomaCountyRecovers.org | March 20, 2018

Building Code Upgrades

It is difficult to determine how residential code changes have added to the cost of construction in California over the years. The California Building Standard Codes (CBSC) change every 3 years and are mandated by law to be adopted locally by city and county jurisdictions. For residential construction in California the CBSC includes provisions in the California Residential Code (CRC), the California Energy Code (CEC), and the California Green Building Standards Code (CGBSC). The latest edition of these codes is 2016, with local adoption required and in effect on January 1, 2017. In addition, local ordinances may be adopted by a jurisdiction that could increase the cost of reconstruction. For example, the City of Santa Rosa has adopted a water efficient landscape ordinance requiring landscape plantings and irrigation systems meet certain efficiency standards as an example. Federal laws have also changed over the years adding to the cost of construction. An example is a storage type gas water heater. Federal law required manufactures to make water heaters more energy efficient in 2015, increasing the cost of the water heater by 30% or more. Similar federal standards have required heating and cooling systems to be manufactured to higher energy standards. The increased cost associated with code updates varies by home as each are unique with different house sizes, room configuration, architectural style, lot configuration and lot size.

A home constructed in 2000 would have been built under the 1998 California Building Standards code. Since 2000 there have been 6 complete residential code editions, each making the codes more restrictive and increasing construction costs. For example, the California Energy Commission estimated the 2013 energy code added \$2000 to the cost of an average home and for the 2016 code an additional \$2700. One method to arrive at the increased cost of a new building would be to have your builder estimate the cost of rebuilding the same home using the plans submitted under the code it was constructed and then estimate the cost using current codes.

Potential Code Upgrade Requirements Based on 2016 California Building Standards Code

Title 24 Energy (2016 Title 24, Part 6 CEC)

1. High efficiency water heating
2. Higher efficiency heating and cooling system equipment
3. Higher R value insulation
4. More efficient windows
5. Possible increase in wall thickness
6. Tighter construction to prevent air leakage
7. Radiant barrier in attic
8. Cool roof



www.SonomaCountyRecovers.org | March 20, 2018

Building Code Upgrades

Cal Green (2016 Title 24, Part 11 CGBSC)

1. Low flow water fixtures
2. Higher efficiency cooking and washing appliances
3. Requirements for storm water drainage and retention
4. Pre-wiring for future electric vehicle charging
5. Pre-wiring for future rooftop solar energy system
6. Construction and waste management
7. Low VOC paints and stains
8. Private inspector to verify requirements
9. Moisture control features
10. Indoor air quality and exhaust requirements

Wildland Urban Interface Code (2016 Title 24, Part 2, Chapter 7A California Building Code) aka: WUI Code

1. Tempered windows
2. Limited vents in foundation, eaves and soffit
3. Fire resistant exterior siding
4. Limitations on deck materials and construction
5. Fire resistive roofing materials

Residential Building Code (2016 Title 24, Part 2.5, CRC)

1. Soils report
2. Residential Fire Sprinklers
3. Electrical code requirements for ground fault interrupters and arc fault circuit breakers
4. Seismic design changes
5. Water efficient fixtures
6. Separate circuits for bathrooms and laundry
7. Smoke alarm and carbon monoxide detector
8. Additional hardware required for seismic compliance

Water Efficient Landscape Requirements aka: WELO

1. Landscape architect designed plan
2. Irrigation controls and timers

Note: This is not a complete list. This is an overview of probable requirements based on current codes.



CALIFORNIA DEPARTMENT OF INSURANCE



**FOR FREE, PERSONAL ASSISTANCE WITH
YOUR CLAIMS OR UNDERINSURANCE ISSUES**

CALL US AT: 1 800 927 4357

OR GO ONLINE: insurance.ca.gov

Future Roadmap to Recovery Events

Napa – Free 1-on-1 consults w/lawyer volunteers

Saturday, May 12th 10am

Bay Area Legal Aid, 575 Lincoln Ave #210, Napa

RSVP required: info@uphelp.org

Santa Rosa – R2R Event, **Resolving Disputes**

Thursday, May 31st, 6-8pm

Unitarian Universalist Church

547 Mendocino Ave., Santa Rosa

Financial Planning Days for Fire Survivors starting 4/28

-

Do you have financial questions coming up and financial decisions to be made?

Certified Financial Planner® volunteers are offering their time to help Santa Rosa residents get back on their feet after the dramatic firestorms. All advice is free and no business cards will be distributed.

You can book a 1-hr appointment at
<https://calendly.com/probonoplanning/1hr>.

- **April 28th, 11am-3pm, Sonoma Rebound, 353 College Ave**
- **Monday, May 1st, 6-8pm, Ameriprise office 611 Humboldt St.**
- **Saturday, May 5th, 11am-3pm, Sonoma Rebound, 353 College Ave**
- **Saturday, May 12th, 10am-2pm, Ameriprise office, 611 Humboldt St.**
- **Tuesday, May 15th, 6-8pm, Ridgeview Financial, 1955 Cleveland Ave, Suite 203**
- **Saturday, May 19th, 11am-3pm, Sonoma Rebound, 353 College Ave**
- **Saturday, May 26th, 11am-3pm, Ameriprise office, 611 Humboldt St**
- **Saturday, June 2nd, 11am-3pm, Sonoma Rebound, 353 College Ave**
- **Saturday, June 9th, 10am-2pm, Ameriprise office, 611 Humboldt St**

Construction, Rebuild-Strategy Finance Seminar

Thursday, April 26, 2018 ~ 6-8 PM

Bayside Church, 3175 Sebastopol Rd, Santa Rosa, CA

Please Register at <http://bit.ly/CoffeyStrong426>

Call 909-230-0929 w/questions

Sponsored by Coffey Strong:

Q&A with tonight's speakers and guests

- **Sandra Watts**, ResolvedSF, former State Farm senior claim rep
- **Amy Bach**, Policyholder Advocate
- **Tony Cignarale**, Deputy Comm'r, CA Dept. of Insurance
- **Nathan Quarles**, County Rebuilding/Permit Sonoma
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