



Survivors Speak: Estimating Your Loss

The *“Survivors Speak”* publication series offers the perspectives of people who lost homes in natural disasters, in their own words. The series is part of United Policyholders extensive library of free information. To read tips written by UP staff and a national network of experts and volunteers, visit our complete library at www.uphelp.org

Your home has been damaged or destroyed. You’ve notified the insurance company about the loss... Now what? Who is responsible for estimating the loss, the insurance company adjuster or you?

My answer: Both. Getting at least two opinions on a loss is common sense and good practice.

In most cases, your insurer sends an adjuster to inspect the damage and interview you (and others) about the details. Assuming there’s no problem with coverage, he/she writes up an estimate on the spot, or later sends you an estimate, along with a settlement offer or payment. **Should you find and/or hire your own expert(s) to give you an independent second opinion on the work that needs to be done to repair/rebuild and how much that will cost? In this survivor’s opinion, the answer is “ABSOLUTELY”!**

Is it reasonable to rely 100% on the insurance company’s estimates? In this survivor’s opinion, the answer is “NO WAY”! It is your property – probably the most valuable asset you own - and, it is in your best interest to make sure the damage has been fully and properly inspected and estimated. There are many types of damage that are hidden or latent and will not show up at first look. You will want to make sure you have an accurate **“scope”** that outlines and details the entire loss. Adjusters are simply people with varied experience, training, and personalities and they do not have the “same skin in the game” as you do. They may feel pressured to underestimate your loss due to corporate mandates or understaffing during a catastrophic disaster such as a wildfire, flood, tornado, etc.

If you decide to hire experts to help estimate and document your loss, be certain that they are reputable and truly qualified. This level of due diligence on your part should apply to industry specific companies (roofers, window replacement, painters, carpenters) as well as professionals (engineers, architects, certified industrial hygienists, public adjusters, lawyers, architects, etc.). Disasters equate to opportunity for many in the restoration and rebuilding sectors of the economy, but often bring out the worst along with the best. Be wary of anyone who hard sells or pressures you. We found that there were many unqualified companies that came to town and pressured survivors to sign unreasonable contracts.

Some people refer to a scope of loss as an “Estimate of Loss”, “Statement of Loss” “Claim Summary” or “Summary of Loss”. Whatever label you put on it, **a Scope of Loss is the package of documents, diagrams, photographs and itemized listings that explain what it will cost to put your property back in its’ pre-loss condition.** That may include cleaning, repairs, and/or rebuilding and replacing your home and property. It is a living document, which will generally be changed many times as the recovery process unfolds. For more information, read UP’s publication [The Scoop on Scope of Loss](#).

All dollars that will flow to you from your insurance company will be determined by the Scope of Loss, (or whatever label gets put on the documentation package approved by the insurer.)

Remember:

1. It is the duty of the insurer (through their adjuster) to do a full and thorough investigation of your damage (that includes preparing a complete estimate or scope of loss). Read your policy language to see this in writing!
2. It is your responsibility to cooperate with the insurer by providing access to the property and information as reasonably requested according to the specific terms of the policy. Also read the policy language under “insured’s duties” as they will often attempt to burden you with asking for more than is required.
3. You have the right to provide additional information (estimates, pictures, expert reports, replacement cost quotes, etc.) to document your loss and recovery needs. If it helps your cause – by all means, provide this information!
4. There is generally a back and forth process which could take a number of attempts before a final settlement is reached. Once the adjuster agrees to cover a damaged item, it may take multiple revisions before you have enough allowed dollars to restore it. (Ex: The original estimate for a deck may only cover the surface decking, while the structure could be added if it is discovered to also be damaged during the repair).
5. “No” is not a final answer until:
 - a. You get a clear denial in writing and/or
 - b. Your policy timelines and deadlines have expired (different adjusters may have different answers).
6. “Yes” does not count until you have it in writing in the estimate from the insurer and/or you have the check cashed and in the bank!

The information presented in this publication was written by a Waldo Canyon wildfire survivor Kerri Olivier and is for general informational purposes, and should not be taken as legal advice. If you have a specific legal issue or problem, United Policyholders recommends that you consult with an attorney. Guidance on hiring professional help can be found in the “Find Help” section of www.uphelp.org. United Policyholders does not sell insurance or certify, endorse or warrant any of the insurance products, vendors or professionals identified at our website.