



# THE ORLANDO LAW GROUP, PL

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## OLG LEGAL COMMENTARY:

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### **Protect yourself with an attorney when insurance companies look to undervalue your hurricane claims**

Since Hurricane Irma hit just a few months ago, Florida has seen a continuous increase in attorney advertisements for “hurricane damage” claim denials. By now, for example, you have likely seen billboards up and down our roads stating, “Claim Denied? ... Hurricane Lawyer.”



For many a homeowner, it may seem obvious to seek assistance through an attorney for an insurance claim denied by the carrier. But did you also know that you should seek legal counsel when an insurance company [carrier] *undervalues* your claim, which can – and does – happen quite often?

Keep in mind that, by undervaluing your claim, the carrier is not denying the claim, but instead telling you [the insured] that your claim is not high enough to make it past the deductible and/or depreciation value of your property.

Essentially, it is their way of getting out of having to pay any monies to you that you might rightfully be owed.

As has most commonly been seen in several cases The Orlando Law Group has recently reviewed, the insurance company will send a letter to the insured stating that they will issue payment in the amount of \$0. For example, let’s say you have damages to your home costing \$8,000 to repair. After review, the insurance company [carrier] then tells you the depreciation of your property is \$4,000. Then they apply your deductible – let’s say, for this example, \$4,000. Suddenly, all monies you thought you would receive from your carrier have dwindled to zero.

And, technically, they have not denied your claim.

But, realistically, with their math, they offered – and, under this example, will pay you – nothing.

If and when this happens to you, you do not have to accept this. You do not have to agree to this. And you do not have to sign off on this.

In the end, the carrier claims that it properly evaluated your claim and that you were not owed any money under your insurance policy, or an amount that was less than a reasonable amount to repair your property.

As a property owner, do you have to take the insurance carrier at its word as to the value of your property damages? Even if the adjuster was nice to you and told you [either in person or on the phone] that the insurance would pay your claim? The answer is an emphatic no. You do not have to assume that the insurance carrier properly determined the value of your insurance claim and/or even appropriately determined and/or applied the depreciation value of your property.

It is not uncommon for the property owner to obtain damage repair or replacement estimates more than the amounts determined as the “correct” amount according to the insurance carrier. So, you might be wondering how this can be.

First, the insurance carrier may hire independent claims adjusters to review your property. These are typically the “nice” people who visit your property and make statements to you that the insurance carrier should pay your claim. Unfortunately, those statements do not bind the carrier, and oftentimes will later be recanted by the adjuster, meaning s/he will later deny making those statements -- leaving you in a he said/she said situation.

Second, the adjusters use an automated program that uses pre-determined amounts for standard product which will produce an estimate that is often well-below the standard charges in your community for property repairs and replacement.

Whether your claim has been denied or undervalued [meaning: you received a reduced or no payment in response to your claim], you should find competent counsel who you trust to challenge the insurance carrier’s evaluation and treatment of your insurance claim. A carrier’s denial or reduced valuation of your claim does not mean that the insurance carrier properly adjusted your claim.

Remember: Even if the carrier ends up paying you nothing in response to your claim, the claim will remain on your insurance record as having been made. This means that in the future, should you make another claim of any kind, this original claim can be used against you – particularly if you did not make the necessary repairs in response to the claim. It might also be used to increase premiums [or to continue providing insurance coverage to you] in the future. You may have received zero [or reduced] dollars for your insurance claim and yet still take the penalty of showing that claim on your record moving forward.

It is in your best interest not to let the carrier's decision stand without review from a legal expert.

*Alyson Laderman is a 14-year lawyer, having served eight years as an attorney for insurance carriers -- including two internationally-recognized carriers [one of which she served as the senior litigation attorney for bodily injury claims]. Prior to recently joining OLG, Laderman worked for a nationwide plaintiff's firm handling and overseeing first party claims. To contact Laderman, or for more information about The Orlando Law Group, please visit [TheOrlandoLawGroup.com](http://TheOrlandoLawGroup.com) or phone 407-512-4394.*