

Another Needless Lawsuit and Predictable Settlement...Money Down the Drain

The case described here is nothing new. This case and others I have dealt with, and those other news worthy cases involving inadequate engineering reports (Do Super Storm Sandy and the Northridge Earthquake ring a bell?) are just a few examples of improperly trained forensic engineers and their managers providing services to an industry that is paying huge legal fees and settlements because of inadequate engineering reports. My hope is that one day the insurance industry will see the value of not hiring just any engineer on a claim, and insist on an engineer when forensic engineering expertise is needed.

The asphalt shingle roofs at a multi-unit residential complex in the southeastern United States were damaged by a significant hailstorm. The cost to replace the roofs was estimated at near one million dollars. The home owner's association (HOA) filed a claim with their insurance carrier. The insurance carrier hired their first of two national forensic engineering firms to perform the roof inspections. The first engineering report summarized that no hail related damage was found. As a result, the insurance carrier denied the claim. Because of concerns expressed by the HOA, a second national forensic engineering firm was hired by the insurance carrier. Again, no hail related damage was found. Again, the claim by the HOA was denied.

Through the HOA's attorney, I was hired to review the engineering reports and to perform my own inspections of the roofs. Photographically documented hail damage was found on every single roof. In fact, there was video of the hail storm showing the hail stone size. What was most disturbing about the reports from both of the national forensic engineering firms was that there was no mention of the damaged and replaced roofs at surrounding properties. At least one of these surrounding roofs was replaced by the insurance carrier that was denying the HOA. It was only when all of the facts of the claim were about to be released by a local television station that the case settled. In short, both engineering firms provided opinions that justified the denial of the HOA's hail damage claim when the evidence was to the contrary. How could this be possible?

Several other questions come to mind:

How could both national forensic engineering firms perform, what was in my opinion, a demonstrably myopic forensic engineering investigation?

How many other claims have been denied because of questionable forensic engineering investigations performed by these national forensic engineering firms?

How many Insured's were forced to accept the findings of a questionable forensic engineering report because they did not have the resources to perform their own investigation?

How many insurance carriers have been forced into costly litigation because of questionable forensic engineering investigations performed by these and other national forensic engineering firms?

I have worked "both sides of the ball." Just as I have worked for insurance carriers and told them the claim was valid or not, I have done the same for property owners. I do not care one way or the other

where the evidence goes. The only thing that is important is that all the evidence is gathered, and that the opinions given are based strictly on the evidence. A preferred outcome is not my concern.

The proliferation of national forensic engineering firms and the pressure put on them to be everywhere at the lowest price has caused a saturation of engineers that do not have the proper forensic engineering training. This proliferation has also given the “Bean Counters” the apparent impression that price, not qualifications, justifies the use of any engineer that calls himself “forensic engineer” regardless of qualifications. Sometimes the “Bean Counters” need to be reminded that the most cost effective forensic engineering investigation is not the cheapest. You get what you pay for in the long run. I can only imagine the hundreds of thousands of dollars spent to defend and settle the case I described when it should have been resolved long ago. An intellectually honest forensic engineer states opinions based on ALL the evidence available.

In the spirit of full disclosure, I have worked for two other national forensic engineering firms. I know firsthand and have pushed back against the pressure administrative functionaries can put on a forensic engineer to get the assignment done cheaply, or “tweak” a report in the clients favor. Insurance carriers and their attorneys need to be sure that the engineering opinions you pay for are not just what the engineer or his managers think you want to hear. Please insist on qualified forensic engineers.

I have written several articles regarding forensic engineering qualifications and other related issues: “Forensic Engineering Credentials” and “Engineering Report Provenance.” Please read these articles on LinkedIn. <https://www.linkedin.com/in/richardaricepe>

Thank you for your time.

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