

As Florida's Insurance Consumer Advocate, my greatest concern is the availability and affordability of homeowners insurance in Florida. Currently, there are several factors that significantly and adversely impact Florida's insurance market, and threaten the affordability and availability of homeowners insurance in our state. One of these factors is an increased rate of litigation. I am committed to analyzing these factors, their impact on consumers and developing actionable resolutions. In furtherance of my commitment, I surveyed more than 7,000 policyholders, whose claims were represented by an attorney, to obtain direct feedback related to their claim and attorney experience. I will use the feedback to assist in identifying the underlying factors that lead to litigation. The report below summarizes the survey responses.

CLAIMS FILED

68%
 of **policyholders**
 filed their own claim

16%
 of claims were filed
 by an **attorney**

12%
 of claims were filed by
 a **public adjuster**

FOR CLAIMS THAT WERE FILED BY AN ATTORNEY:

Filed **Within 2 Weeks** of the Date of Loss

41%

Filed **2 Years After** the Date of Loss

14%



82%

of claims filed by the policyholder were filed **within 2 weeks** of the Date of Loss.

FOR CLAIMS THAT WERE FILED BY A PUBLIC ADJUSTER:

Filed **Within 2 Weeks** of the Date of Loss

31%

Filed **After 1 Year** of the Date of Loss

19%



HURRICANE IRMA CLAIMS

For Hurricane Irma claims that were filed by an attorney:

44%

Filed **Within 2 Weeks** of the Date of Loss

22%

Filed **2 Years After** the Date of Loss

33%

of policyholders hired an attorney **based upon advice** from their public adjuster

55%

of policyholders hired an attorney as a result of a **poor claim experience**

For Hurricane Irma claims that were filed by a public adjuster:

44%

Filed **Within 1 Month** After the Date of Loss

11%

Filed **1 Year After** the Date of Loss

33%

of policyholders hired an attorney **based upon advice** from their public adjuster

55%

of policyholders hired an attorney as a result of a **poor claim experience**

ATTORNEY REPRESENTATION

78% of policyholders hired an attorney as a result of a **poor claim experience**

20% of policyholders hired an attorney **based upon advice** from their public adjuster, loss consultant or contractor

TIMEFRAME TO HIRE AN ATTORNEY:



5% of policyholders were not aware an attorney had been hired to represent their claim

Of the policyholders who were not aware an attorney had been hired to represent their claim, the attorneys were retained by:

- 57%** a public adjuster or loss consultant
- 43%** a contractor

HOW WAS ATTORNEY FOUND:

35% of attorneys were referred to the policyholder by **a public adjuster or loss consultant**



31% of attorneys were retained as a result of **an advertisement or online search**

CLAIM SETTLEMENT TIMEFRAME:

52% settled **more than 9 months** after hiring an attorney



21% settled **within 6-9 months** after hiring an attorney

CLAIM SETTLEMENT EXPECTATIONS:

47% of policyholders indicated they received **less than** what they expected



46% of policyholders indicated that the amount they received **matched their expectations**

PERCENTAGE OF CLAIM SETTLEMENT:

43% indicated their attorney received **25-50%** of the claim settlement

30% indicated their attorney received **less than 25%** of the claim settlement

23% did not know what percentage of the settlement their attorney received



REHIRE AN ATTORNEY FOR FUTURE CLAIMS:

82%
YES

18%
NO

CLOSING STATEMENT:

- 74% of policyholders confirmed they **received** a closing statement
- 26% of policyholders indicated they **did not receive** a closing statement

OF THE POLICYHOLDERS WHO INDICATED THEY WOULD NOT HIRE AN ATTORNEY FOR FUTURE CLAIMS:

33% of the claims were filed by a 3rd party
(attorney, public adjuster, loss consultant, contractor)

19% were **advised to hire an attorney** by a public adjuster, loss consultant or contractor

85% indicated the claim was settled **more than 9 months after** hiring an attorney

71% of the claims were settled for **less than** what the policyholders expected

42% of the policyholders **did not know what percentage** of the claim settlement their **attorney received**

28% of the policyholders indicated their **attorney received 25-50%** of the claim settlement

28% of policyholders indicated their **attorney received less than 25%** of the claim settlement

POOR CLAIM EXPERIENCE:

42% hired an attorney due to a **combination of:**

- ▶ claim denials
- ▶ claim delays
- ▶ unsatisfactory settlement offers

23% hired an attorney due to a **claim denial**

27% hired an attorney due to an **unsatisfactory settlement offer**

OF THOSE POLICYHOLDERS WHO HIRED AN ATTORNEY DUE TO A CLAIM DENIAL:

- 86% of the claims were subsequently **settled**
- 43% of the claim settlements **matched the policyholder's expectations**
- 40% of the claim settlements were **less than the policyholder's expectations**
- 14% of the claims were **not settled**