



“LOSS CONSULTANTS” USUALLY UNNECESSARY Most Consumers Do Not Need Public Adjusters for Insurance Claims

In the wake of the hurricanes of 2005, many consumers face the disheartening task of rebuilding or repairing homes that have been destroyed or damaged by floods, rain, wind or vandalism. If you are in this position, you may be solicited by a “public adjuster” or “loss consultant” who offers to help you with your claim against your insurance company. Be on guard against any such company or person who solicits your business through unsolicited e-mails, direct mail advertising or telemarketing.

Also be aware that public insurance adjusters must be licensed in Texas to assist on Texas insurance claims, and that these individuals will charge you money for their services either as a direct fee or as a percentage of any claim settlement. The Texas Department of Insurance regulates the conduct and licensing of public insurance adjusters and how much public insurance adjusters can charge. Some basic information is available at www.tdi.state.tx.us/agent/agpubadj2.html. TDI Commissioner Mike Geeslin has also issued a bulletin with regard to public insurance adjusters and Hurricane Rita at www.tdi.state.tx.us/bulletins/b-0060-05.html.

At the very least, make sure the public adjuster is licensed in Texas, that the fees are within TDI regulations, and that you read the fine print about what the charges and services will be. You should also discuss your claim with your insurance company to determine whether you can reach a satisfactory settlement before committing to hiring outside consultants or adjusters. If your claim is for significant money over your deductible, and you believe you are not being offered a fair deal by your insurer, you may wish to speak with a qualified private attorney of your choice about your options. Public insurance adjusters or “loss consultants” are usually not licensed attorneys and cannot give legal advice or represent you as an attorney on your claim.

**WRITE TO: Greg Abbott, Office of the Attorney General, PO Box 12548,
Austin, TX 78711-2548 • (800) 252-8011 • www.oag.state.tx.us**

Remember that the Texas Department of Insurance provides a toll-free consumer hotline at (800) 252-3439 to answer your questions and has a wealth of information on public insurance adjusters on its website at www.tdi.state.tx.us. You can also speak with a private attorney or file a complaint with TDI if you do not feel that your insurance company is paying what they should on your policy. Most consumers do not need to pay a consultant or public adjuster to obtain the amount owed to them under their policies. I would urge you to avoid sharing your much needed settlement with a third party if you can reach a satisfactory settlement on your own.

Sincerely,

A handwritten signature in black ink that reads "Greg Abbott". The signature is written in a cursive, flowing style.

Greg Abbott,
Attorney General of Texas

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