



KY CONSUMER GUIDE TO PUBLIC ADJUSTERS

- Decide whether you can settle the claim on your own. You might want to consider hiring a public adjuster (or a private attorney versed in handling insurance claims) if the claim is large or complicated, or if you are unable to negotiate a settlement with the insurance company.
- Make sure the public adjuster is licensed in KENTUCKY! Public adjusters must be licensed in order to conduct business in KENTUCKY. Ask to see the public adjuster's license, and write down his/her full name and license number. You can check license status by calling the KY Department of Insurance at 502-564-3630 or access our website at insurance.ky.gov
- Find out the public adjuster's permanent address. Sometimes (especially after large-scale natural disasters), out-of-state public adjusters will travel to an affected area, where there may be many consumers needing prompt assistance with their insurance claims. If you choose to use an out-of-state public adjuster, confirm that he/she is licensed by the KY Department of Insurance.
- Make sure you understand the public adjuster's fee. Public adjusters' fees are usually a percentage of the insurance settlement. For example, if you sign a contract that specifies a 10 percent fee, and if your final insurance settlement is \$50,000, then you would owe the public adjuster \$5,000.
- Ask the public adjuster for references in your local area. In addition to checking references, you can ask the KY Department of Insurance about his/her complaint history, and also check with your local Better Business Bureau.
- Consider meeting with two or more public adjusters before you decide which one to hire. Do not allow a public adjuster to pressure you into signing a contract if you are not ready to do so.
- **Do not pay any money up-front**, because the amount you will pay him/her will be based on a percentage of your total insurance settlement.
- Request information on how checks are issued by the insurance company and make sure checks are payable to you and the public adjuster.
- Ask the public adjuster how long it will take to settle your claim. Obviously, larger, and more complicated claims can take longer than smaller claims. If you decide to hire a public adjuster, ask the adjuster to keep you updated on the status of your claim.

- Carefully read any contract that you are given by the public adjuster and **DO NOT SIGN** until you understand and agree to the contract terms. Be sure you understand:
 - The total fee (or percentage) that you will owe.
 - When your payment(s) to the public adjuster will be due.
 - Whether you can cancel the contract, and if You have the right to rescind the contract after it has been signed. To do so, the rescission must be in writing and mailed or delivered to the public adjuster within three business days of signing of the contract, to the address in the contract.

If your insurance company offers to pay the full amount of your policy limits within 72 hours after the date on which you reported your loss to the company, then the public adjuster cannot receive a commission based on a percentage of the total settlement amount. Instead, he/she may charge a reasonable fee based on his/her time and expenses. He/she must also notify you that the amount paid by your insurance company might not be increased.