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KENTUCKY CONSUMER GUIDE TO PUBLIC ADJUSTERS QUESTIONS and ANSWERS

Q. What are public adjusters?

A. Public adjusters are licensed professional adjusters who work for the consumer. Generally, when you file an insurance claim, the insurance company will send an independent or staff adjuster hired by the insurer to investigate, negotiate, or settle the claim. A public adjuster performs these same services but is employed by you the consumer.

Q. Do I need a public adjuster to complete my claim?

A. No! The majority of claims are filed and settled without the assistance of a public adjuster. 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.

Q. How do I know if the public adjuster is licensed?

A. Before hiring a public adjuster, make sure the public adjuster is licensed in Kentucky! Ask to see the public adjuster's license and write down their full name and DOI license ID number. You can check their license status by calling the Kentucky Department of Insurance at 502-564-3630 or you can review their profile on our website at [Licensee Search](#). Once on our website, perform a licensee search with the information you obtained and you can see if the public adjuster has an active license.

Q. Does a public adjuster have to live in Kentucky?

A. A public adjuster does not have to reside in Kentucky. In fact, 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 Kentucky Department of Insurance.

Q. How much does a public adjuster cost?

A. Public adjusters may charge a flat fee, an hourly fee, or a percentage of the claim. The total amount of the fee charged may not exceed 15% of the money received in the claim or 10% if the claim is part of a catastrophe. Additionally, public adjusters may charge you the costs of investigating the claims. Be sure to ask the public adjuster what expenses are going to be required to resolve your claim.

Q. Will I have to sign a contract?

A. Yes, you can only hire public adjuster by signing a contract which is reviewed and approved by the Department of Insurance. You should carefully read the contract and DO NOT SIGN until you understand and agree to the contract terms. Some important terms to make sure you understand before signing are:

- 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 the contract, to the address in the contract.

