



NEW YORK STATE SENATOR

Andrew J. Lanza

Senator Lanza Announces New Actions to Expedite Sandy-Related Insurance Claims and New Online Report Card System for Insurance Companies

ANDREW J LANZA November 29, 2012

DFS to Publish Online Report Cards Detailing Each Insurance Company's Performance

New Rules Will Significantly Cut Time Allowed to Investigate Claims, Put More Adjusters in the Field to Help Homeowners

Senator Andrew Lanza today announced a series of measures to expedite the payment of claims for New Yorkers affected by Hurricane Sandy and launched a new online report card system, www.NYInsure.ny.gov, to hold insurance companies accountable.

At the Governor's direction, the Department of Financial Services (DFS) issued a new regulation that will cut by more than half the amount of time insurers have to send adjusters to homes and businesses to inspect claims, thereby helping consumers receive their payments sooner. In addition, Governor Cuomo signed an executive order that will allow for expedited, temporary licenses to be issued to qualified out-of-state public insurance adjusters, increasing the number of adjusters available to New York consumers to help get their claim settlements faster. Finally, at the Governor's direction, the DFS will publish report cards assessing insurance companies' performance in responding to the disaster and paying claims. The report cards will be published on a new website, www.NYInsure.ny.gov, which the Governor launched today. The website will be updated regularly.

Senator Lanza also announced today that DFS Superintendent Benjamin M. Lawskey will continue the moratorium barring insurance companies from cancelling or terminating homeowners' and small business owners' insurance policies in storm stricken areas for any reason, including non-payment of premiums, for an additional 21 days through December 15.

This executive order and moratorium applies to residents and business owners in Bronx, Kings, Nassau New York, Orange, Queens, Richmond, Rockland, Suffolk and Westchester counties.

The order also extends the time the Superintendent may deny applications by licensed mortgage bankers or registered mortgage brokers to open branch offices and temporarily suspends a requirement involving community development investments.

Online Report Card System of Insurance Companies

Department of Financial Services Superintendent Lawsky launched an online report card system concerning insurance companies who are operating in the areas that were affected by Hurricane Sandy. This action will hold insurance companies accountable to consumers and allow New Yorkers to see the performance of their insurance company compared to other companies. The report cards will be published on the DFS website and will be frequently updated.

They will be available today at www.NYInsure.ny.gov.

Among other criteria, insurance companies will be graded on:

- Number of claims and dollar amount of claims
- Average time for an adjuster to inspect
- Number of claims closed with and without payment so far
- Amount of claims paid so far
- Total number of consumer complaints
- Number of complaints as a percentage of number of claims

DFS will be publishing report cards on the following companies:

- Nationwide
- Liberty Mutual
- Hartford
- FM Global
- Allstate
- Chartis/AIG
- State Farm
- USAA
- Utica National
- Zurich
- Metropolitan
- Narraganset Bay Insurance Company
- QBE
- Arch
- New York Central Mutual
- Amtrust Financial
- Travelers

- Tower
- Adirondack Insurance Exchange
- Chubb
- GEICO
- Andover
- Assurant
- NYPIUA

New Regulation to Speed Up Timeframe for Claim Investigation

The new regulation will shorten the timeframe in which insurers must send an adjuster to inspect a claim. This action will help insurance companies process the claims faster and pay out claims to consumers sooner. Starting today, the new regulation will require insurance companies to start investigating claims in six business days after the claim is made to the insurer, rather than 15 business days under current rules. The new rule applies to Storm Sandy. In addition, the regulation makes clear that to protect health and safety, other than for policies issued under the national flood insurance program, claimants can commence immediate repairs to heating systems, hot water systems, and necessary electrical connections, as well as exterior windows, exterior doors, and, for minor permanent repairs, exterior walls, in order to enable properties to retain heat.

Executive Order To Expedite Claims

The executive order will authorize qualified, out-of-state public adjusters, whose job is to advocate on behalf of homeowners, to obtain temporary licenses to work in the state. Currently there are more than 16,800 out-of-state adjusters who have received temporary licenses to work on behalf of insurance companies, which more than doubles the amount of adjusters working for insurers in New York State. DFS has been allowing more insurance adjusters to operate in the state so that insurance companies will be able to assess and pay out claims in a more timely manner and help New Yorkers affected by Hurricane Sandy rebuild.

The new order will allow the licensing of temporary public adjusters, who work on behalf of a policyholder to negotiate a claims settlement on the consumer's behalf.

To qualify, out-of-state public adjusters must:

- Apply for a temporary license with DFS
- Have a valid insurance license that has not been revoked in the last 10 years
- Have not been convicted of or plead guilty to any crime in the U.S. in the last 10 years
- Have not been accused of fraud or unethical conduct in the U.S. in the last 10 years