



Massachusetts Division of Insurance

Consumer Alert

Public Insurance Adjusters

One of the most common questions that follow a natural disaster is whether one should hire a public insurance adjuster. Public insurance adjusters often come to the scenes of natural disasters and circulate their business flyers or advertisements promoting their services. It is important to understand what a public insurance adjuster can offer in services and how to make the right choice in selecting a public insurance adjuster. Beware of individuals who also may appear at the scene of a disaster to take advantage of people's misfortunes. Choosing a reputable public insurance adjuster is of great importance.

What is a Public Insurance Adjuster

Insurance companies employ their own adjusters or hire independent adjusters (not public insurance adjusters) who are trained to evaluate your property damage and help walk you through the claims process free of charge. In Massachusetts, you also are able to hire a public insurance adjuster to help you file claims and negotiate your insurance claims payments. Public insurance adjusters represent claimants and charge a fee for their services – which may be as much as of 10% of the final recovery from the insurer.

Public Insurance Adjusters Must be Licensed

Public insurance adjusters must be licensed in Massachusetts. Make sure any public insurance adjuster you're considering hiring is properly licensed in Massachusetts. To verify the licensing status of a public insurance adjuster, you may click on the following link to take you to the listing of licensed [public insurance adjusters in Massachusetts](#). If you are reading this in printed form, please go to the Division's website: www.mass.gov/doi.

You may also contact the Division of Insurance Consumer Hotline at **1-617-521-7794** to verify licensing.

Be on the Lookout for Fraud

As with any advertised service, you should examine a public insurance adjuster's advertisements critically. Claims that sound too good to be true, probably are too good to be true. You should be skeptical of claims that seem out of proportion to what you and your neighbors are experiencing. Flyers that advertise average recoveries many times larger than what insurers initially offer should be viewed with suspicion.

Unlicensed individuals also may try to take advantage of disaster victims by:

- Charging a large upfront fee and then disappearing without handling the claim.
- Referring repairs to dishonest contractors for a kickback which also may result in poor quality repairs.
- Filing false or inflated claims against the policy which may delay a settlement with the insurer. Sometimes the individuals will also try to convince the disaster victim to join the scheme.
- Using their position of trust to obtain Social Security numbers or other personal data for scams involving identity theft.

Choosing a Public Insurance Adjuster

The best way to choose a public insurance adjuster is to ask people you trust if they can recommend a reputable licensee. Make sure you know the public insurance adjuster's fee (not to exceed 10% of claim payment) before signing a contract.

Find More Information

If you think you may have fallen victim to a scam or if you have questions about a public insurance adjuster, please call the Division of Insurance Consumer Service Section at **1-617-521-7794**. You can also find additional information at the Division of Insurance website www.mass.gov/doi.