

Homeowners say insurers hobbling Hurricane Michael recovery

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Like many other homeowners in Bay County, Hurricane Michael hit Justin Mohr hard.

His home's roof must be completely replaced. Water ruined the house's drywall, carpet and floor tiles. Repairs are estimated at upwards of \$70,000, but with an insurance policy that covers a total rebuild worth \$200,000, Mohr was confident the damages would soon be fixed.

More than three months later and Mohr is still waiting on insurance to pay so repairs can be made.

"My insurance company — after three months of delay tactics and having to hire a public adjuster — has made a final 'take it or leave it' offer of \$35,000," Mohr said. "My wife and kids are worried what we're going to do with our home."

Mohr was one of several area homeowners, contractors, attorneys and public adjusters who gathered in Panama City Beach at a town hall-style meeting on Wednesday to talk about their frustrations dealing with insurance companies since the hurricane. They say insurers have needlessly slowed recovery in the county by using tactics to withhold coverage payments. Some insurers refute the complaints, saying while some payouts might be too low at first, as new estimates are made and more damages are found, they will work with policyholders to make adjustments — the process just takes time.

The event was hosted by the Restoration Association of Florida, a contractor trade advocacy group. The stated purpose of the event was to discuss recovery efforts and give a voice to homeowners and area contractors who say they're struggling with insurance companies.

There were no representatives for insurance companies at the event.

Jean McDougall, a Panama City homeowner, said at the event that she's been in a constant fight with her insurance company to get her house fixed since the hurricane.

"This is a daily process ... it's like having a second job," McDougall said. "It's not just sitting and waiting two weeks for there to be a call from them."

McDougall said the hurricane took out three rooms of her house, part of the garage and also part of the roof in the front on the home. She's had quotes of \$213,000 for total repairs, but to date has received \$40,000 from her insurance.

McDougall said her only bit of luck was finding a contractor to put a new roof on her home with the promise that he'd be paid later once the insurance claim was settled.

"We've uploaded every single document we've been asked to do," McDougall said, referring to dealing with her insurance. "It's been a rough ride."

Kris Retherford, managing partner with APEX Disaster Specialists, a Santa Rosa Beach-based water mitigation company, said at the event that the recovery work needed in the county is overwhelming, but insurance companies aren't helping by trying to undercut costs of contractor labor.

"There are hundreds of homeowners desperate to get their homes fixed, but their insurance companies are offering them pennies on the dollar," Retherford said. "We are doing all we can to help, but there is only so much work you can do without being paid before you have to start turning people down."

Margaret Garner, attorney with the Law Offices of Kanner and Pinaluga, which specializes in hurricane claims, said at the event that homeowners have contacted her firm daily with complaints about insurance companies delaying payments and low-balling estimates.

"I do think insurance companies are overwhelmed and unprepared, but frankly I don't care," Graner said. "They know how many policies they have in the area ... the best case scenario is if insurance companies do what they're supposed to do."

Jeff Grady, president and CEO of the Florida Association of Insurance Agents, said in a Wednesday phone interview that insurers were not withholding payments, noting that most claims since the hurricane had been closed.

According to the Florida Office of Insurance Regulation, as of Jan. 11, 73 percent of claims made since the hurricane had been closed. Of total claims made, the majority are in Bay County at 84,526 claims. Total estimated insured losses from the storm are more than \$5 billion, the office reports.

Grady said customers have steps they can take if they believe their insurer is treating them unfairly.

"I'm not saying there aren't legitimate insurance complaints, there always are," Grady said. "But there is free state arbitration and all kinds of remedies ... by and large the claims are being handled."

Michael Peltier, spokesman for Citizens Property Insurance Corporation in Tallahassee, who didn't attend the event but was aware of it, said the majority of his company's claims from the hurricane had been settled.

"We've not had a problem with untimely claims ... we're relatively quick," Peltier said.

Peltier said he understood homeowners' frustrations with the process, but urged them to be patient and to stay in contact with their agents.

“A claim that is closed can be reopened two or three times as adjustments are made and more damage is discovered,” he said. “It is not just one stop and then we are done.”

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