



Insurance Tips

Don't fall for disaster construction fraud

Hurricanes, wildfires, floods, earthquakes and other natural disasters result in lost lives and billions of dollars of property destruction every year. In 2018, losses due to natural disasters totaled \$52 billion, according to the Insurance Information Institute.

When a disaster damages your home, getting it repaired is a top priority for you and your insurance company.

What to do after a disaster

- Keep copies of your insurance documents and make a record of communication with your insurance company, including who you speak with, dates, times and important information they shared with you.
- To the extent possible, prevent further loss to your property—but don't throw away damaged property until your insurance company advises you to do so.
- Take pictures documenting damages.
- Choose your contractor carefully to protect yourself against unethical practices or incompetence. Ask to see the contractor's license along with other identification, and get references. If someone claims to be representing a contractor, but cannot show you a contractor's license or home improvement salesperson registration card, call the contractor and find out if the person is authorized to act on their behalf.

It's a red flag if your contractor ...

- Does not have a local office or local telephone number
- Is not willing to provide references
- Uses a hotel or restaurant as their contact location
- Handles all business in person, avoiding the use of mail
- Wants a full cash payment up front
- Does not have adequate equipment to perform the job
- Approaches you at a loss site without being solicited
- Gives an estimate that is very general, either in terms of the cost or in terms of what will be fixed and how it will be repaired
- Does not have a contractor's license bond, if required by the state
- Is unwilling to provide a certificate of insurance from their general liability or workers compensation insurance carrier
- Gives you a bid far below the bids you received from other contractors

Help fight fraud

Using unqualified or fraudulent contractors can result in poor work, use of low-quality materials, price gouging, and unauthorized property removal among other concerns. Because property loss from a

These tips are provided by the Marketing team at CSAA Insurance Group, a AAA insurer.

disaster can be so traumatic, victims of disaster can become easy targets for fraud. If you suspect fraudulent activity, report it to the National Insurance Crime Bureau in one of two ways:

1. Call 1-800-TEL-NICB (1-800-835-6422)
2. Submit a form on the [NICB website](#)

For more information, talk to a AAA Insurance agent or visit your local branch office.