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NEWS

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Advocates emphasize insurance in hurricane preparation

One of the most important things condo owners and associations must possess to be prepared for a hurricane can't be found at grocery or hardware stores in the days before a storm hits.

The chances of recovering from a hurricane or other disaster hinge on whether associations and owners have the proper insurance policies in place and know their rights when filing a claim.

"The cards are stacked against the insured in a lot of ways," said Donna Berger, executive director of the Community Advocacy Network, which recently released its free "2010 Hurricane Guide."

A Florida statute pre-

vents insurance companies from dropping owners who file legitimate claims following a disaster, Berger said, but even so, many don't file claims for fear of being dropped.

Another unfounded fear that discourages residents from filing claims is that their rates will rise as a result. Berger said rates are raised based on the geographical business plan insurance companies use for each state, not whether a particular client filed a claim.

"People don't sit and think about what's going on," she said. "They need to know the right questions to ask."

With so much confusion after a storm, associations

can panic and hire contractors who may not be licensed to do the proper work, Berger said. With many contractors having no licenses, associations can end up paying too much for services, and contracts can be signed without attorneys first reviewing the documents.

Having the contacts reviewed by lawyers and knowing which board members are in charge of calling insurance companies and who can sign contracts can help prevent unlicensed contractors from being hired, Berger said.

Knowing who you are working with can also play a role in recovery, said Michael Bender, an attorney for Kaye & Bender P.L.,

which represents more than 700 condo associations. Before an emergency arises, Bender said, it's important to know which restoration companies are legitimate and to have a relationship with them so that they're familiar with the property and can get to work quickly when their services are required.

Bender also recommends that owners take a few minutes to discuss basic coverage with their insurance agent and know the cost of premiums for any additional coverage that isn't included in the basic plan.

"I think that regardless of whether we're talking about a hurricane, a fire or any type of disaster, or just

construction work, you need to do your due diligence as much as possible," Bender said. During the 2005 hurricane season, Berger said one of the biggest problems was that owners didn't file claims right away and did not question their insurance companies when claims were not honored. Claims from 2005 can still be filed at www.wilmaclaims.com.

"People don't understand their rights to pursue damage," she said. "A lot of owners and associations ended up paying for the damage, not the insurance companies."

For more information or to download the hurricane guide, visit www.canfl.com or call 954-315-0372.