



MILE HIGH

ADJUSTERS

INDEPENDENT ADJUSTER CLAIM HANDLING INSTRUCTIONS

July 26, 2013

The following guidelines apply to all property Assignments received. Following these guidelines will satisfy our Agreement every time. Please let Mile High Adjusters know if you have any questions on these procedures. Understand that we aim to provide an excellent product in a minimal amount of time.

We offer, apply, and expect an extended level of courtesy, efficiency, and response. Please let us know if you have any reservations on this guideline. Our client and their customers should be treated with great respect and a professional demeanor at all times.

INSURED

- Voluntary policies (HO)—the insured is the homeowner.
- Lender Placed Products Occupied and Vacant Dwellings: Standard named Insured is a Mortgagee (Mortgage Company).

SCOPE OF WORK

- Adjuster will provide outside field property investigations, inspections, property appraisals and evaluation of damages.
- **DO NOT MAKE ANY COMMITMENT** to the Insured regarding coverage or settlement. Do not make recommendations regarding payment or denial within the context of your report.
- Insurance Carrier will settle all losses.
- Insurance Carrier holds all Settlement Authority.

SPECIAL HANDLING INSTRUCTIONS

- Any services not requested at the time of the assignment will be routed through Mile High Adjusters (info@milehighadjusters.com).
- **All correspondence must have Insurance Carrier claim number on it.**
- **Do not give a copy of the estimate to anyone other than Mile High Adjusters or Assigned Insurance Carrier Staff.** All files will be routed through the File Trac Claims Management System. If files are requested, refer that entity to the Insurance Carrier handling adjuster.

CONTACT

- Contact insured and borrower within **12 hours** of receipt of claim.
- Vacant properties: Managing personnel should be contacted within **24 hours** of file assignment.
- Major loss requires contact in less than **4 hours**.
- Contact Assigned Team Leader after **48 hours** if there are problems with making contact.
- All access/contact information is located on loss notice.

DIARY ENTRIES

- Every time any action is taken regarding the file, a diary entry needs to be made in File Trac.
- Diary entries should be updated at least every 48 hours.

CONTACT MILE HIGH ADJUSTERS OFFICE IMMEDIATELY IF:

- Possible bad faith claims, fraud, mold, or extra contractual damages.
- Possible total loss or major loss—losses reserved over \$50,000.
- Property has been sold.
- On policies with contents coverage.

INSPECTION

- Inspection must occur within **48 hours** of initial contact with insured or Property Management Company.
- **If property is vacant**—coordinate inspection within **24 hours** with property manager.

CAUSE OF LOSS

- Cause of loss must be documented to the point where proximate cause can be confirmed and subrogation possibility determined. Example: Don't say, "hot water leak". State why it leaked, who installed it and when. Include manufacturer, model number, etc.

SUBROGATION

- Comment on subrogation potential in first report.
- If your opinion does not include any subrogation possibilities, "Subrogation Investigation pending review of Insurance Carrier adjuster".
- **If loss relates to a defective part or appliance, please retain the faulty part and contact the Insurance Carrier adjuster to determine further course of action.**

USE OF EXPERTS

- Use of engineers to help determine the cause of water, wind, and other structural damages is at the discretion of Insurance Carrier.
- Cause and Origin Expert should be considered if the fire department considers the cause "suspicious". Contact the Insurance Carrier Adjuster and Team Leader for direction.
- **All experts (other than the assigned Mile High Adjusters adjuster) require Insurance Carrier approval.**

DOCUMENTATION STANDARDS

REPORTING REQUIREMENTS

- **Final Report Package is due 48 hours after inspection is completed or within seven (7) days of assignment.**
- A Preliminary Report is due if the final report cannot be completed in the seven (7) days.
- Status reports must be turned in every five (5) days thereafter until final report is submitted.
- Police and/or Fire report must be submitted on all applicable losses within Final Report.

DIAGRAMS

- Diagram is required for all losses.
- Must include dimensions/measurements for all damaged areas.

PHOTOGRAPHS

- Always have one (1) photo of all exterior elevations of the risk and one (1) photo documenting the property address as indicated on the loss notice.
- Always take at least one (1) photo of the origin of the loss.
- Take as many photos as necessary of the damaged areas.
- Entire condition of Vacant Properties should be fully documented with photos.
- All Roof Claims must include clear photo(s) of roof condition. Taking 20 roof photos to document damage is not uncommon.
- Kitchen appliances and their pre-existing spaces should be addressed in photos.
- Take one (1) overview photo of undamaged areas or rooms.

ESTIMATES

- Estimates will be completed using Xactimate estimating software with zip code specific pricing (updated data base).
- Provide RCV/ACV using line-by-line depreciation considering age and condition.
- Do not stop with estimate at policy limits.
- Overhead & Profit are to be included on files with three or more trades (No exceptions).
- Sales Tax should be included on materials in all estimates per state laws.
- Appropriate waste should be added when replacing roof materials (10-15%).
- Comment on depreciation or betterment taken in narrative report.
- Do NOT include base service charge adjustments.
- Do NOT use more than one minimum charge per estimate, per trade.
- Non recoverable depreciation should be applied to awnings, antennas, appliances, and carpet/carpet pad.
- Any changes in DB pricing should be noted on respective line item.

REPORT PACKAGE Three (3) file uploads to File Trac Based Claims Management System)

1. **PDF containing the narrative report, estimate(s), diagram(s), and other auxiliary documents (police/fire report, receipt(s), weather report, expert cause of loss report, etc.)**
2. **Additional PDF containing all the photos.**
3. **Xactimate archive file with photos removed.**

MULTIPLE ESTIMATES

- If more than one peril or date of loss is discovered on initial inspection, write a separate estimate for each.
- Write separate estimates for the main dwelling and each additional building covered (APS).
- If a property has separate units, write a separate estimate for each unit. Water and Fire damage from one origin of loss should be addressed in one estimate for all units.

MILEAGE (Documentation and Billing)

- See fee schedule for appropriate mileage rates.
- Round trip mileage should be recorded in the File Trac diary notes.

INVOICING

- All Invoicing to be handled at Mile High Adjusters.
- Enter RCV, ACV, MILEAGE, etc. as requested.

FILE WORKFLOW & CRITICAL DUE DATE

EVENT	ADJUSTER ACTION	DUE TIME
Assignment	Adjuster verifies receipt and accepts or rejects the claim through File Trac. Log “Received: Accepts” or “Received: Rejects” in diary notes.	Within 2 hours of assignment
1 st Contact	Contact listed or insured management company. Log contact, result, and inspection date and time in diary notes.	Within 12 hours of assignment
Inspection	Adjuster to property to scope damages (confirm with insured or insured rep) Log diary entry type “Inspection Complete” with detail of inspection and mileage.	Within 48 hours of successful 1 st contact (48 hours if property is vacant)
Report Submission—Xactimate	Adjuster uploads “Report Package” and waits for Team Leader approval or rejection. Log diary entry “Report Uploaded”.	Within 48 hours of inspection and no more than seven (7) days after assignment
Report Rejected by IA Team Leader	Adjuster makes requested revisions.	Within 24 hours of request
Report Accepted by IA Team Leader	Invoicing occurs at Mile High Adjusters.	Immediate
Client Examiner Rejects File or Requests More Info	Adjuster makes requested corrections or provides additional info requested.	Within 24 hours of request
Clients Examiner Accepts File	No action required.	Within fifteen (15) days of file submission
Client payment is made to Mile High Adjusters	Mile High Adjusters pays all PAID accrued fees to adjuster on 1 st and 15 th of every month once claim is marked “Closed”	Continuous (payments typically made within 5-7 days of file closure)

2013 STANDARD FEE SCHEDULE

(***Please note this fee schedule may vary slightly depending on the Carrier***)

FEES BASED ON GROSS CLAIM DOLLAR AMOUNT (GCA) FOR TASK ASSIGNMENT MODEL

Gross Claim Amount (GCA) means the lesser of the policy limits or the agreed cost to repair or replace before application of depreciation, deductible, or other applicable limits.

GCA From	GCA To	GCA Fee
Inspection—No Damage		\$175.00
\$0.01	\$1,000.00	\$225.00
\$1,000.01	\$2,500.00	\$300.00
\$2,500.01	\$5,000.00	\$400.00
\$5,000.01	\$7,500.00	\$475.00
\$7,500.01	\$10,000.00	\$550.00
\$10,000.01	\$15,000.00	\$625.00
\$15,000.01	\$20,000.00	\$725.00
\$20,000.01	\$25,000.00	\$800.00
\$25,000.01	\$30,000.00	\$875.00
\$30,000.01	\$35,000.00	\$950.00
\$35,000.01	\$40,000.00	\$1,150.00
\$40,000.01	\$50,000.00	\$1,375.00
\$50,000.01	\$75,000.00	\$1,500.00
\$75,000.01	\$100,000.00	\$1,910.00
\$100,000.01	\$150,000.00	\$2,750.00
\$150,000.01	\$200,000.00	\$3,400.00
\$200,000.01	\$300,000.00	\$4,000.00
\$300,000.01	\$500,000.00	\$5,000.00
\$500,000.01	\$750,000.00	\$7,000.00
\$750,000.01	\$1,000,000.00	\$9,000.00
\$1,000,000.01	And Up	1.1%

• Cancelled Claim Rate	T&E
• Adjusters Hourly Rate	\$70.00
• Mileage	\$0.55 per mile

First 50 miles included per file. Mileage capped at 200 billable.

- California: \$0.70 per mile
- Arizona mileage: 50 miles included per file. Mileage capped at 500 billable.

Photographs: Unlimited amount \$10 per file.

Other Authorized Expenses (fire, police reports, etc.): At cost per report

Office charge: \$50 per file