

7 Communications from Attorneys, Public Adjusters, and Other Policyholder Representatives

Adjusters should notify the insurer promptly when they become aware a policyholder is represented. This notification should be forwarded with the Preliminary Report or as an interim status report and include any documents received related to this representation. Adjusters and examiners should always put forth a courteous effort with policyholder representatives during the entire flood claim process. As a Federal program, all stakeholders, including FEMA, must adhere to the Privacy Act. The relevant DHS regulation (applicable to FEMA) regarding Privacy appears at 6 CFR 5.21.

Letter of Representation. Whenever the policyholder authorizes a party to speak with an NFIP stakeholder about their claim, including FEMA, the policyholder will need to do so **in writing**. By **law**, the NFIP stakeholder must obtain this authorization to protect the policyholder's **privacy**.

Privacy Release. To authorize another individual to represent the policyholder, the policyholder must also submit documentation that includes all named policyholders full name, address, date and place of birth, the name(s) of the representative(s), and the policyholder(s) signature. The policyholder must have this document notarized or include the following statement: "I declare under penalty of perjury that the foregoing is true and correct. Executed on <DATE>. <SIGNATURE>."

Attorney representation. When the policyholder becomes represented by an attorney, and the proper letter of presentation and privacy release signed by the policyholder is obtained, adjusters and examiners must ensure all verbal and written communications are held directly with the attorney, unless approved by the attorney.

Public adjusters. A public adjuster is an individual who negotiates coverage, scope, and price on behalf of the policyholder. When the policyholder is represented by a public adjuster, FEMA recommends that the adjuster and examiner send all written communications, including the insurer-adjuster-prepared proof of loss, to both the public adjuster and the policyholder. A best practice after verbally communicating with the public adjuster during an inspection or over the telephone is to follow up with a written correspondence or email to the public adjuster copying the policyholder. Keep in mind that a public adjuster must be licensed and in good standing in the state and have a signed contract with the policyholder before they may communicate with NFIP representatives regarding the claim.

Other types of representatives. Whether given the permission to speak with the NFIP stakeholder or not, only attorneys and public adjusters are legally permitted to negotiate coverage, scope, and price on behalf of the policyholder. **Neighbors, other adjusters, estimators, or contractors are not allowed to practice "public adjusting" on the claim; that is negotiate coverage, scope, and price with the insurer or one of its representatives.** With the proper documentation provided, a policyholder's representative may be the spouse or an immediate family member acting on the policyholder's behalf. This is often the case when the policyholder is ill, in the hospital, out-of-the country, or otherwise incapacitated.