



## Disaster Relief Claims Resolution Services

### For Homeowner, Property, and Business Claims

The AAA repeatedly is designated by states to settle major claims from large-scale catastrophes.

Natural and other disasters (hurricanes, tornados, windstorms, fire et al.) can result in significant losses for both home and business owners, and disputes concerning related insurance claims may arise with insurance providers. Insured and providers both need skilled negotiators to resolve claim disputes fairly and expeditiously, enabling those hard hit by disaster to move forward quickly to rebuild their lives.

**AAA® Disaster Claims Resolution Services** facilitates resolution and settlement of claim disputes between insurance companies and the insured homeowner, property owner, or business owner. The program

- Utilizes the *AAA Guide to Disaster Claims Mediation Procedures*.
- Provides access to a national roster of mediators of former federal and state judges, attorneys with subject-matter expertise (insurance, construction, commercial), and business owners.

### AAA Disaster Relief Programs

#### New York State Storm Sandy Mediation Program

In 2013, the New York State Department of Financial Services designated the AAA as the provider of mediation services for certain claims in areas affected by Storm Sandy. At program's close, 3,360 mediations had been filed with a settlement rate of 63%.

#### New Jersey Storm Sandy Mediation Program

In March 2013, the New Jersey Department of Banking and Insurance selected the AAA as the administrator for its mediation program to handle claims resulting from Storm Sandy damage. At program's close, 991 mediations had been filed with a settlement rate of 67%.

#### Hurricane Matthew

In 2016, the AAA worked with the North Carolina Department of Insurance to settle claims relating to Hurricane Matthew. As of June 1, 2017, 79 claims were filed with a settlement rate of 60%.

#### Hurricane Katrina and Rita Mediation Programs

In 2005, the Mississippi Federal District Court and the Louisiana Department of Insurance named the AAA as program administrator for several mediation programs to help resolve an aggregate of 17,831 claims arising from these hurricanes. The settlement rate was 76%.

#### Hurricane Andrew ADR Program

The Florida Department of Insurance (DOI) in conjunction with the Florida legislature created the ADR (alternative dispute resolution) for Disputed Claims program in 1992 to administer claims resulting from Hurricane Andrew. Mediators handled 2,500+ claims for a settlement rate of 92%.



### Northridge Earthquake ADR Program

In 1995, the AAA administered a volunteer ADR program for the California Department of Insurance to handle unresolved insurance claims arising from the Northridge Earthquake. ADR options included dispute evaluation and assessment, mediation, and binding and nonbinding arbitration.

### North Carolina Disaster Mediation Program

The AAA has administered this mediation program for disputed residential property insurance claims since the 2006 designation by the North Carolina Legislature. The program, available to first-party claimants after a state of disaster has been proclaimed by the governor or declared by the president for all of North Carolina or for an area within the state, has a to-date 75% settlement rate. The AAA also is charged with maintaining the program in a state of readiness.

## Initiation of Program

Insurers or their representatives file cases with the AAA on behalf of the insured. Case mediations can be handled in person or via telephone (or email upon request).

### Fees

AAA case administration and mediator(s) fees are charged at a reduced rate and are paid by the insurance providers, as are all other expenses of the mediation process. Insured parties incur the costs of preparing their own cases, as well as any expenses associated with providing witnesses.

### Program Process

- Disputed claim is filed with the AAA.
- Mediation process commences. AAA provides a single point of contact for parties. Mediation is scheduled.
- Mediation conference occurs in person or via telephone.
- One of two outcomes:
  1. *Mediation Settlement.* The insurer issues payment. Mediator delivers reports to AAA.
  2. *Mediation Impasse.* Mediator delivers reports to AAA. Parties proceed to the next step in agreement—AAA arbitration or litigation.

### About The AAA

AAA services include the design and development of ADR systems for government agencies, corporations, unions, law firms, and the courts. The AAA administers a wide range of disputes for the spectrum of industries.

The global leader in conflict management since 1926, the American Arbitration Association is a not-for-profit, public-service organization committed to the resolution of disputes through the use of arbitration, mediation, conciliation, negotiation, democratic elections, and other voluntary procedures.

