

# Hurricane Insurance Claims Press Conference

For Immediate Release  
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For More Information Contact:  
Petra Matthew, Special Assistant to the Lieutenant Governor  
Ph: (340) 773-6449 ext. 3406  
Fax: (340) 773-0330  
petra.matthew@lgo.vi.gov  
Facebook: Office of the Lieutenant Governor " US Virgin Islands  
Government Access Channel: <https://vigov.viebit.com>

## LIEUTENANT GOVERNOR POTTER HOLDS PRESS CONFERENCE ON HURRICANE INSURANCE CLAIMS

Lieutenant Governor Osbert E. Potter, who also serves in the capacity as Commissioner of Insurance, held a press conference on January 30, 2018, at Government House, St. Croix to provide the community with an update on hurricane insurance claims. Lieutenant Governor Potter indicated that the press conference was necessary to provide clarification on many concerns that policyholders were having with filing claims, specifically as it pertains to damages from Hurricane Irma and Hurricane Maria.

Lieutenant Governor Potter was accompanied by his leadership team at the Division of Banking, Insurance & Financial Regulation, as well as representatives from the Department of Licensing and Consumer Affairs, and the Department of Planning and Natural Resources, who also provided clarification on consumer concerns with licensure, building codes, contractor requirements, and fees.

The most recent data on insurance claims provided by the Division of Banking, Insurance & Financial Regulation indicated the following:

Hurricane Irma:  
Total Claims Reported: 9,332  
Total Claims Closed with Payment: 3,032  
Total Amount Paid in Claims: \$435,661,453.61  
Total Percent of Claims Closed: 38%

Hurricane Maria:  
Total Claims Reported: 5,549  
Total Claims Closed with Payment: 1,314  
Total Amount Paid in Claims: \$82,837,319.06  
Total Percent of Claims Closed: 32%

Lieutenant Governor Potter indicated that his Division of Banking, Insurance & Financial Regulation has been consistently processing customer complaints on challenges that they have been experiencing from their insurance companies, banks, and contractors. One of the major challenges is the issue of underinsurance, which is insurance coverage that is insufficient to cover total dollar amount of losses. Generally, underinsurance is associated with the policyholder's failure to coinsure 80% of the property's replacement value.

"If you have insurance, it is very important that you take the time to fully understand your insurance policy and to ascertain that windstorm coverage should never be excluded on your policy," stated Lieutenant Governor Potter.

As a result of the complaints that were being filed, Bulletin 2018-1 issued by the Division and signed by Lieutenant Governor Potter on January 23, 2018, placed the responsibility on insurance companies, agents and representatives to notify their policyholders of underinsurance. Further, all property and casualty insurance companies licensed and authorized to conduct insurance business in the Territory must require each homeowner policyholder to sign a notice of underinsurance.

Lieutenant Governor Potter also informed policyholders that an insurance company is required to respond to customers within thirty days after the adjuster visits the property to conduct an assessment. This policy is enforced by the Division.

Since the passage of Hurricanes Irma and Maria in September 2017, the Division has received and processed over 1,000 customer complaints. Lieutenant Governor Potter encouraged policyholders to first notify their bank if problems

exist when a check is issued in the name of the insured and the contractor. If the problem is not resolved by the bank, policyholders should come to the Division to file a complaint. Customers with concerns regarding contractors should call the Department of Licensing and Consumer Affairs or the Department of Planning and Natural Division.

Customers may visit the Division of Banking, Insurance, and Financial Regulation in St. Thomas at Nisky Center, second floor or call 340774-7166; or in St. Croix at 1131 King Street Christiansted, or call 340-773-6459.

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