



MEMBER INSURER HANDLING OF CATASTROPHE WIND LOSSES

G.S. 58-45(e) states that catastrophic losses that are covered under the windstorm and hail coverage in the beach and coastal areas shall be adjusted by the licensed insurer that issued the essential property insurance and not by the Association.

Catastrophic loss is defined as a windstorm loss due to a named storm, whether a hurricane occurrence or a tropical storm occurrence.

1. It is imperative that both the NCIUA and the Member Insurer receive notice of all losses in the event of a Named Storm.
2. The preferred method of reporting losses is through the Association's Dynamic Web. If reported online, there is immediate access to the First Notice of Loss, coverage information, claims history and claim number. If there is no access to the internet, losses can be reported by fax, mail or phone.
3. If the loss was reported by the Producer, it is imperative that the claim information be shared with the Member Insurer. As each company has their own protocol, the Producer should review the unique reporting requirements prior to the Named Storm.
4. The First Notice of Loss should clearly document that the Loss has been reported to the Member Insurer. Be sure to identify the Member Insurer by name.
5. Member Companies should designate a contact person and provide the information to NCIUA annually using the **Member Insurer CAT Contact Information** form. Member Companies will be asked to provide us with catastrophe office telephone numbers so that inquiries from Producers or policyholders may be directed to those numbers. The NCIUA recommends a shared/general email address be established for use during Named Storm events that can be monitored by multiple people. This will assist in the event that the CAT contact changes throughout the year or from year to year.
6. Member Insurer Claims Staff (or independent adjuster assigned by Member Insurer) will investigate the loss and report directly to the Member Insurer. The NCJUA/NCIUA approved adjuster list does not apply to Member Insurer handled claims.
7. The Member Companies are responsible for all file investigation, supervision, review, payment approval and denials, Insurance Department inquiries, claim defense, as well as questions or inquiries from policyholder and Producers. Coverage questions will be handled at the discretion of the Member Insurer with the exception of decisions regarding whether a policy is in force. Decision/recommendations regarding payment or denial of claims based upon policy provisions will be made by the Member Insurer.
8. The Member Insurer should verify any mortgagee(s) or loss payee(s) on the property. If the mortgagee is different than as reported on the NCIUA FNOL, the Member Insurer should be sure to note the correct mortgagee on the payment request if being added to the payment.



9. The Association should be notified immediately of any file reserves of \$25,000 or greater. Notification should include recommended amounts allocated to each coverage feature (i.e. Building, Personal Property, etc)
10. Loss payments may be made to the insured with a Member Insurer check and request reimbursements from NCIUA. Member Companies may also submit their recommendation to NCIUA to pay the insured directly. The **Windstorm/Hail Policy Claim Payment Authorization** form will be used by the Companies for requesting payment. Payments will be issued by the NCIUA as needed.
11. Member Companies are allowed a cap of 10% of the Fee Schedule for administrative costs. The 10% admin charge should be clearly identified on the request for reimbursement form.
12. Loss adjustment expense will be paid using the **NCJUA/NCIUA Catastrophe Expense Reimbursement Schedule**. Member Companies may request reimbursement for reasonable expenses or request payment to vendor direct. If requesting payment to be made directly to the vendor, please attach a copy of the invoice with the tax I.D. Payment will be issued by NCIUA as soon as possible upon receipt of a Member Insurer request.
13. Member Companies may use our Dynamic Web to verify coverage and submit a claim package to NCIUA. A **Member Insurer NCJUA-NCIUA Portal Access** form must be completed and authorized by our IT Department prior to access. Allow two working days after the request is sent.
14. Member Companies should refer to the Dynamic Web for open reports to verify that they have received all claims that have been reported to the NCIUA.