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Hundreds of Wilma claims still unsettled

BY BEATRICE E. GARCIA

Nearly three years after the storms of 2005 hit South Florida, there are still hundreds of homeowners staring at unrepaired damage and wrangling with their insurers over unresolved claims.

Right now, there's a rush to the courthouse to meet a June 2 deadline to wrap up claims filed by homeowners once covered by the Poe Financial Group companies, which failed in June 2006. Claims need to be resolved, or lawsuits filed, by that date.

The Florida Insurance Guaranty Association, the state agency handling the Poe claims, had some 3,100 open claims earlier this month. The agency has added staff and has been working until 10 p.m. most nights in the past month in effort to clear as many claims as possible.

"We have really put out an effort to get them resolved," says Michelle Lovern, FIGA's executive director.

To be sure, the insurance industry dealt with a mountain of claims from the hurricanes of 2005: 1.2 millions claims were reported, with 23,000 of those total losses. Nearly \$10 million was paid out through 2007.

But open claims persist against most insurers, not just the defunct Poe companies.

"It's amazing how busy we are. We get 15 new clients a week," said Paul Berger, a Boca Raton attorney who represents homeowners in cases against their insurers. "At this point, I expected to be doing just some leftover litigation."

Bruce Douglas, chairman of Citizens Property Insurance's board of governors, said as the company whittles down the number of unresolved claims, more are opened. "It's a major problem."

Citizens, the state-run insurer, is the largest insurer of homes, condos, apartments and mobile homes in the state, with more than 1.2 million policies on its books. The number of claims Citizens has open was not immediately available.

It's not unusual to see some claims reopened: replacement or rebuilding costs could be higher than initially estimated and homeowners file a supplemental claim to cover the

additional costs.

However, State Farm Insurance finds it puzzling that it's still seeing new Hurricane Wilma claims being filed. "We're seeing about 100 new claims a week," said company spokesman Chris Neal.

Insurers contend that some homeowners are encouraged to file new claims or reopen existing claims by public adjusters who promise them higher settlements.

The reason for disputes and reopened claims is stingy settlements, said Berger and other attorneys. In many cases, the dispute is over roof damage.

"Ninety-five percent of my clients were paid for partial repairs when they needed a full replacement," Berger said.

Indeed, all 21 of the buildings at Patio West One, a residential community in West Miami-Dade, suffered roof damage. Taylor Roofing of Fort Lauderdale has already capped 130 leaks -- not tiny patches but areas as big as 20-feet-by-20-feet -- since Wilma swiped through the area until the claim is paid.

"We're trying to hold this community together with Band-aids, not literally of course," said Charlie Richardson, Taylor's senior project manager who has been working with Patio West One for the past year.

Taylor also has entirely replaced roofs on five buildings because they risked being condemned if full repairs weren't done, Richardson said.

Taylor is owed about \$300,000 so far. It has shouldered half of the cost for the roof replacements as well as the cost of patching the leaks.

Robert Reynolds, an attorney from the Merlin Law Group that was hired by the homeowners last summer, estimates total damage at Patio One West to be between \$2.5 million and \$3 million.

However, the insurer for the complex, Citizens, has yet to pay anything on the claim.

Citizens denied the claim after its adjuster found no damage at the complex, noting that just a few satellite dishes blown away that weren't covered by the association's policy.

A mediation attempt didn't work and the community filed suit against Citizens in October. Reynolds said the suit is pending,

Reynolds and Frank Inguanzo, a public adjuster with Epic Group Licensed Public Adjusters that has been working with Patio West One, said it's puzzling that Citizens' adjusters have concluded there was no damage to the complex from the storm because

Florida International University's West Miami-Dade campus, which sits across Southwest 8th Street from the community, and many of the surrounding communities suffered extensive damage from Wilma.

Citizens said it doesn't comment on ongoing litigation.

Settlements could come a bit quicker for homeowners in the future because lawmakers have changed the state's insurance code.

A bill passed earlier this month will require insurers to pay the undisputed portion of a claim within 90 days. If not, homeowners can sue their insurance companies for bad faith. This is a crucial consumer protection in what's a massive insurance reform bill waiting for Gov. Charlie Crist's signature.

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