



# Overview of the Insurance Process

## ESTIMATE

- An adjustor comes to your property and writes an estimate.
- Insurance sends you a payment for the damages, minus your depreciation and minus your deductible.
- We create a Work Order to match the insurance estimate prices, so you don't have any out-of-pocket costs.
- For the work being done, we sign an Agreement, and collect 50% as a deposit to cover the cost of materials.

### **EXAMPLE**

Estimate Damages	\$13,100
Depreciation	(\$4,100)
Deductible	(\$3,000)
<hr/>	
Insurance Payment	<b>\$6,000</b>

## SUPPLEMENT — BEFORE WORK

- Items and damages often get missed on initial estimates; we submit these items to insurance as supplements.
- The insurance company will review our supplement and will notify you of what has been approved. They will also send you a payment for the approved items.
- It is common for customers to choose not to do certain work. You retain any funds for work we are not doing.
- \*\*\*We add up insurance approved costs for the work we are doing and add them in the Work Order.\*\*\*
- We collect funds for the approved supplement items after they are approved but before work begins.

## DEPRECIATION

- a. You will notice that insurance, likely, did not give you enough money to cover the full amount of the estimate.
- b. Part of the amount missing amount is your deductible, and the other part is known as depreciation.
- c. Depreciation is money withheld by insurance until there is a signed contract and most of the work is complete.
- d. Insurance will send you a payment for your depreciation at some point after an Agreement is signed with a company.
- e. The depreciation check is typically not labeled as depreciation, but those funds are yours to help pay for the work.

### **EXAMPLE**

Estimate Damages	\$13,100
Depreciation	(\$4,100)
Deductible	(\$3,000)
Insurance Payment	<hr/> \$6,000

## SUPPLEMENT — AFTER WORK

- a. There are several items an insurance company won't pay for without us providing pictures of installation. We cover the cost of these items up front so there are no major repair delays.
- b. We submit installation pictures, as well as any additional work found during the time of repairs, to the insurance company as a second supplement.
- c. After insurance company sends out approvals, we will price match them into the Work Order so you don't have any out-of-pocket costs.
- d. Insurance will send you another payment for what they approved on the second supplement. We will collect the portion of the payment related to our work as reimbursement.
- e. Once again, any approved costs not related to the work we are doing, you keep for yourself.