

HMI  
Presents

**Insurance Claims Toolkit**

Procedures for Tree Care Companies  
to more effectively work with  
Adjusters when doing Storm Work

## How to position your company to get the most qualified leads for storm work from property owners, insurance adjusters and contractors

Whenever a tree falls, initiating an insurance claim, there are at least 3 different channels that may be involved in removing it. The most common channel is that the property owner handles coordinating the work. Many insurance companies rely on their client to contact a “qualified” tree service in order to have the tree removed. Some insurance adjusters will have local contacts for tree work if the property owner doesn’t know who to call. However, a growing number of insurance companies are using 3<sup>rd</sup> party claim support networks to manage claim activity. These networks will have independent contractors/restoration companies that are capable of managing all, or most, of the claim themselves. Some of these companies will even remove trees as a part of their service.

It is a good idea to compliment your sales and marketing efforts by introducing your company to local claim adjusters, general contractors and restoration companies. It is easy to locate these companies in the yellow pages and on-line. Sending them your credentials will increase the likelihood that your company will be selected for tree removal work.

Regardless, all approvals for tree removals will go through an insurance adjuster. It is imperative therefore, that you position your company and the specific tree removal proposal in the most effective way. This will improve your chances of both being awarded the job and getting paid quickly and easily.

Entities like HMI and the TCIA, as well as professional tree care companies themselves, are taking great pains to educate consumers on the benefits of using a professional tree service and how to distinguish one from “a guy with a pick-up truck and a chainsaw”. For the most part insurance adjusters want to use professional service providers but all too often they default to best price and/or speed (usually unqualified companies ‘troll’ the streets looking for trees on homes and they solicit work by offering immediate service) as the deciding factor, primarily due to a lack of understanding on how to choose the most suitable tree care company. This becomes a particularly challenging situation in major weather events due to the fact that so many unqualified companies inundate disaster areas and unsuspecting property owners and adjusters look for the “quick fix”. When your estimator approaches a property owner or adjuster it is important that they highlight your company’s

**Exhibit C**  
**W-9 Form**

qualifications particularly when there is a complicated tree removal involved. Sometimes by stating what appears obvious to you will determine whether you are hired or not.

Some of the points that you should stress include:

- (i) Are you a TCIA member or accredited company
- (ii) Do you have a certified arborist on-staff
- (iii) Do you have CTSP or EHAP certification
- (iv) You should clearly state that you are licensed and insured – workman’s compensation insurance is becoming a major issue for insurers and this fact alone may disqualify certain companies even if they have a legitimate exemption
- (v) Number of years in business
- (vi) Any other professional affiliations, i.e., state arborist societies, etc.
- (vii) Any special expertise, i.e., craning
- (viii) Experience doing storm work and working with insurance companies
- (ix) Experience in working in accordance with FEMA or other relevant emergency regulations

There are a number of ways to convey the points above, i.e., brochures, website, etc., but the document that an adjuster or property owner will most certainly see is the work estimate/proposal. Highlighting information about your company on a work proposal in a clear and concise manner will assist you in differentiating your company from unqualified companies. Adjusters for the most part know very little about tree companies and by providing them with tools to make decisions is critical. It is important to note that it is rare for adjusters to actually choose the service provider (this is generally the choice of the property owner) but adjusters will approve quotes and may recommend to the property owner what service to use, and if the loss is covered by insurance and the adjuster approves your quote based on, among other things, your qualifications, then the likelihood that your service will be chosen by the property owner is vastly increased.

## What is the recommended process when working with an adjuster

When doing storm work, there are two main approaches you can take:

- (i) You can follow a "normal" work process of submitting a work proposal to the property owner, having your proposal accepted, then doing the work and finally collecting payment upon completion. This scenario may not be feasible when doing storm work as the property owner may not be able to pay you until they receive their insurance money – generally people who have had a tree hit their home will face significant costs to repair their home and adjusters may even say to them “do not work with any service provider who is collecting full or partial payment immediately upon completion of work”. This is becoming a major issue in today’s economic environment. If you try to collect on every job when doing storm work you may find the number of people willing to hire will be limited. If in any event you wish to collect upon completion of work, we recommend getting some security deposit or a credit card prior to starting work as experience has shown that a property owner with a tree on their home may make promises to pay you upon completion of work but when work is complete those promises may not be fulfilled; or
- (ii) You can work with the property owner and adjuster and complete the work and provide supporting documentation and photographs to the adjuster (either directly or through the property owner) and you can defer payment until the property owner receives their insurance money – a scenario very commonly faced by tree care companies in major storm events. **IMPORTANT:** the insurance company in almost every instance will default and pay the property owner directly – this can be problematic since it is then up to the property owner to decide whether to pay you. In this case, there is no protective measure that will ensure that the property owner pays you and they may use the insurance money they received for your work for other purposes. Furthermore, even if the property owner received their insurance money the insurance payout may be reduced by the deductible and the amount of the deductible will need to be paid out-of-pocket by the property owner – if the deductible is high (you may not know this before doing the work) then the property owner may need to pay you a significant amount out-of-pocket. We will discuss below processes you can implement when working with adjusters and property owners that may improve your chance of getting paid when payment is not made upon completion of work.

## Exhibit B Certificate of Satisfaction

Date: \_\_\_\_\_

Customer Name: \_\_\_\_\_

Property Location: \_\_\_\_\_

Insurance Company: \_\_\_\_\_

Policy Number: \_\_\_\_\_

Claim Number: \_\_\_\_\_

Date of Loss: \_\_\_\_\_

I, the OWNER/AUTHORIZED AGENT (circle one) for the above-referenced property, hereby certify that the damage occurring on the above-referenced date of loss has been successfully mitigated by \_\_\_\_\_ [insert name of the company/business performing the emergency tree work].

I further certify that the above-referenced mitigation has been satisfactorily completed in a professional and workmanlike manner. To the best of my knowledge, information and belief, no problems or complaints exist relative to the mitigation work performed by \_\_\_\_\_ [insert name of the company/business performing the emergency tree work].

In the event that a problem or complaint develops in the future, I will immediately notify \_\_\_\_\_ [insert name of the company/business performing the emergency tree work], so that they can inspect, diagnose, and correct the problem or complaint as necessary.

I HEREBY AUTHORIZE THE ABOVE-REFERENCED INSURANCE COMPANY TO MAKE DIRECT PAYMENT TO \_\_\_\_\_ [insert name of the company/business performing the emergency tree work] FOR THE MITIGATION SERVICES PERFORMED AT THE ABOVE-REFERENCED PROPERTY AND CERTIFIED AS SATISFACTORY IN THIS DOCUMENT.

\_\_\_\_\_  
OWNER/AUTHORIZED AGENT SIGNATURE

\_\_\_\_\_  
PRINTED NAME OF OWNER/AUTHORIZED AGENT

**Exhibit A**

**Authorization for Direct Pay**

Date: \_\_\_\_\_

Property Loss Address: \_\_\_\_\_  
\_\_\_\_\_

I/we \_\_\_\_\_ [insert here  
name of property owner or the authorized agent of the property owner],  
authorize direct payment to

\_\_\_\_\_ [insert here name of your  
company/business] for services performed.

Description of Loss: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature of property owner or the authorized agent of the property owner  
\_\_\_\_\_

Printed name of property owner or the authorized agent of the property  
owner

Date signed: \_\_\_\_\_

Mail payments to [provide detailed information on where payments should be  
sent]:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Your goal when doing storm work “without pay” should be to **EITHER** ensure that both the property owner and adjuster have approved your estimate and that you have sufficiently documented your work **OR** that the property owner takes full responsibility for the work (in writing) and has you move forward without the need for adjuster approval. Having the home owner approve your estimate and documenting your work are fairly easy to achieve – you get a signature of the home owner and you can generate all of the necessary documentation and photographs. Getting the approval of the adjuster will be dependent on whether an adjuster has even been assigned, and if an adjuster has been assigned it may be difficult communicating with them. Obviously, the best case scenario is getting an adjuster to approve your work (if this can be done easily) – you can document the adjuster’s name, date and time of approval and even send the adjuster a confirmation email which will then be inserted into the claim file of the property owner, but if this is not possible documenting your work correctly will make you appreciated by the insurance industry (which can lead to future work), make collection easier and protect you against liability.

**IMPORTANT: EVEN IF YOU GET AN ADJUSTER TO APPROVE YOUR WORK THE INSURANCE COMPANY MAY DISPUTE IT AFTER WORK HAS BEEN COMPLETED.** This scenario can occur for two main reasons: first, each claim goes through an internal audit process where the insurance company reviews the details of claims and if the auditor has a question or dispute they will contact you; second, if the approval was given by an independent adjuster (commonly referred to as an IA, independent adjusters are independent contractors; not insurance company employees, hired by insurance companies to process claims; they have limited authority and their decisions can be overturned by the insurance company), which is commonly the case, the insurance company may not be bound by the IA’s approval. There is no “magic bullet” to prevent conflict with an insurance company’s claims department but documenting your work correctly, keeping a record of approvals given by IAs or adjusters from the insurance company, using fair pricing and providing professional work, and getting the property owner to sign the documents we recommend in this Toolkit will vastly improve your position. Finally, in the worst case scenario where the claim is rejected and the property owner refuses to pay, if you have gathered all of the documents we recommend (and described below) you will be in a much better position to use the legal system to collect payment.

The following are some recommended steps when doing storm work:

1. Provide the property owner with a detailed estimate (discussed further below)

Exhibit A

Recommended Process for Working with Adjusters

2. Take photographs of the damage with a digital camera (discussed further below)
3. If you are capable of taping then include that in your estimate and take photographs of the roof damage (discussed further below)
4. Determine if the property has insurance coverage and if a claim has been filed; if a claim as been filed get the name of the adjuster and contact information (cell phone, email , office phone)
5. If possible, contact the adjuster in order to get approval. If approval is given, record the name of the adjuster, and the time and date approval was given. An adjuster may provide approval based on you reading the estimate over the phone and describing the damage
6. If approval is given, get the property owner to sign a work authorization. DO NOT DO ANY WORK WITHOUT A SIGNED WORK AUTHORIZATION. Make sure your work authorization has the name of the property owner and the correct address on it. Have the person signing the work authorization sign and print their name. Make sure your work authorization form has all of your terms and conditions and any special damage waivers included in it
7. When having the work authorization signed get a direct pay authorization signed (discussed further below) by the property owner
8. Upon completion of work get a certificate of satisfaction signed by the property owner (discussed further below). At his point you should inspect the property and ensure that your crew has not done any collateral damage to the property. If collateral damage has been done it is best to raise it “real time” as opposed to having this matter raised later which can lead to a delay in payment
9. Issue an invoice with payment terms clearly stated, i.e., payment due in 30 days
10. Make any notes of important occurrences, i.e., adjuster approval; another contractor damaged the property, etc.
11. Provide copies of all of the relevant documents and photographs to the adjuster, ideally done by email. If an adjuster has not been assigned then you can provide the documents to the property owner but it is recommended to follow up with the property owner and get the adjuster’s contact information once an adjuster has been assigned.

IMPORTANT: WHEN DOING STORM WORK, AN ADJUSTER MAY NOT BE ASSIGNED BY THE TIME YOU ARE ON THE PROPERTY DOING AN EMERGENCY TREE REMOVAL, OR MAY DECIDE NOT TO PROACTIVELY SEEK PRE-APPROVAL OF YOUR ESTIMATE FROM AN ADJUSTER WHICH IS NOT ALWAYS FEASIBLE OR POSSIBLE – REGARDLESS WHETHER YOU

cooperating or is unaware of what needs to be done (property owner’s frequently do not know that they need to release the money form a mortgage company or that insurance money is even paid to a mortgage company) then you may need to become involved.

claims that you did damage during work and is withholding payment, you may only discover this when trying to collect. **SUGGESTIONS:** as we have stated, documenting your work as set forth in this Toolkit, getting approval from an adjuster, and getting a certificate of satisfaction can assist you in defending against any complaints after the fact. Staying in contact with the property owner on a weekly or bi-weekly basis after work is complete is key as it is advantageous to know about any issues and address them in a timely fashion. 'Staying in front' of a property owner is good way to position yourself for payment, particularly if multiple vendors are looking to collect. Insurance claims which are correctly filed usually result in payment within 1-3 weeks (depending on the insurance companies) but during a major storm event this may take significantly longer.

2. Payment is made in the form of a two party check – this is a method that the insurance company uses to protect vendors/service providers as well as to prevent insurance fraud. The advantage is that the property owner cannot cash the check without your signature and the general rule of thumb is that the property signs the check and turns it over to you. One issue that can arise is that the property owner does not agree to sign the check and turn it over to you. Another issue is that if the deductible was applied against your work the check will be in an amount equal to your invoice minus the deductible – in this case the property owner must pay the remainder out-of-pocket. **SUGGESTIONS:** getting signed work authorizations containing terms that ensure payment in full will allow you to go to court or collection. Property owners will most likely be less willing to argue with you if they signed work authorizations and certificates of satisfaction.
3. Payment is made to a mortgage company – there are mortgages that require that insurance payments are made to them and they will only release the money when the property owner has provided them with evidence that the repair has indeed been done. The rationale for this is that the home is collateral for the mortgage loan. Ultimately, it is the property owner's responsibility to release the insurance money from the mortgage bank but in some instances a tree care company can approach the mortgage company directly, and ask that the money be released to them. Usually a mortgage company will ask for supporting documentation like an invoice and a W-9. **SUGGESTIONS:** once again, documenting your work as set forth in this Toolkit, getting approval from an adjuster, and getting a certificate of satisfaction and direct pay authorization can assist you in releasing money from a mortgage company. Remember, releasing money paid to a mortgage company is the responsibility of the property owner but if the property owner is not

SPEAL WITH AN ADJUSTER OR NOT, IF YOU ARE DOING STORM WORK AND ARE NOT COLLECTING PAYMENT OR SOME SECURITY (I.E., A CREDIT CARD NUMBER) UPON COMPLETION OF WORK YOU SHOULD DOCUMENT YOUR WORK AS WELL AS POSSIBLE. WORK WHICH IS WELL DOCUMENTED WILL BETTER PROTECT YOU.

### How to prepare a work estimate/proposal for an adjuster

Providing a lot of detail in a cost estimate will make the claim adjusting process more efficient and generally expedites payment by insurance companies – this is particularly important in instances where there is a direct payment arrangement between an insurance company and a service provider. Direct pay is highly recommended as it negates the need to collect from a property owner directly; provided, however, if the deductible is applied against the emergency tree removal then that portion of the payment must still be collected from the property owner.

The following are some general categories of information which should appear in a cost estimate including a description of the type of photographs which should accompany a cost estimate being submitted to an insurance adjuster:

*Description of loss:* This should include –

- (i) description of tree(s) which have fallen and/or caused damage including type, height, DBH, location on property, cause of loss, i.e., wind, lightning, whether the tree originated on another property, i.e., neighbor’s property, public area
- (ii) description of damage to structures/property; in the event that a tree care company is placing a temporary tarp on the roof then as much detail about the roof damage and type of roof should be included such as description and photographs of roof damage, type of roof, i.e., asphalt or composite shingle, tile, slate, metal, etc.
- (iii) if possible, sketching the footprint of the damaged structure and diagramming where the tree loss occurred is useful. This is not usually required if the description and photographs provided are sufficient, but can be an effective way of efficiently conveying the damage to an adjuster.

*Type of equipment to be used:* As much detail about all equipment, both heavy and light (including handheld equipment such as chainsaws), should be included. In the event that riggings and other supports are being used you should also describe this equipment.

*Labor/size of crew required:* Size of crew, including any machine operators, i.e., crane operator, can be included. If in addition to the crew a certified arborist or other qualified person is involved in the supervision, planning and/or execution then that person should be highlighted. General time estimate to complete the work can also be included. We do not suggest that you change the manner in which you quote, i.e., include an hourly rate if you do not quote hourly, but keep two things in mind: first, you must be prepared to break down your quote should an adjuster challenge it, and second, the more detail you provide upfront the less issues you will have later.

### How to collect payment in various scenarios when an insurance claim is involved

\Being aware of how insurance payments are made can assist you with collection. Knowing the process, what questions to ask and who is involved will allow you to know when payments have been made, how much has been paid out and who actually received the payments. Ultimately, your contract is with the property owner and you should have a signed work authorization in hand, but if you are not collecting payment upon completion of work following the “money trail” can assist you with decisions like when to go to collection, when to contact the insurance company to demand payment (if they are withholding the payout for the tree work and the property owner does not have the financial ability to pay your bill, when to involve the primary contractor if the work has been subcontracted to you, and when to contact a mortgage bank if the insurance payment was made directly to them (a fairly common occurrence in today’s economic environment).

The following are some of the scenarios you may face and some suggestions on how to facilitate payment:

1. Payment is made directly to the property owner – this is a common scenario and has advantages and disadvantages. The advantage is that the property owner with whom you contracted has received cash money and now has the financial ability to make payment to you (assuming that the deductible is not too high). The disadvantages include the fact that the property owner can use the money to pay off other debts (the property owner most likely will have numerous vendors who were involved in repairing their home and the property owner may not even know for which aspect of their claim they received money for, i.e., the property owner received a \$10,000 payment from the insurance company and paid it all to the roofer but the money was actually for the tree removal – the property owner may have thought that your invoice is still in process. IMPORTANT: EMERGENCY TREE REMOVAL WORK IS CLASSIFIED AS ‘MITIGATION WORK’ AS OPPOSED TO ‘RECONSTRUCTION WORK’. WHEN A PROPERTY OWNER RECEIVES AN INSURANCE PAYMENT IT MAY DETAIL THE WORK COVERED BY THE PAYMENT OR IT MAY SIMPLY SAY ‘MITIGATION WORK’. Other disadvantages include: it is difficult to know when the property owner received the insurance money; if the property owner has creditors who have a security interest, they can collect before you, and if there is any dispute, i.e., insurance company disputes your invoice after the work is complete, the property owner



payment to you versus payment being issued to the property owner. Insurance companies will not always honor this document but many will and it saves time and reduces the risk that a property owner will not make payment to you after receiving the insurance money. A sample is attached hereto as Document Exhibit A.

- (iv) Certificate of Satisfaction – This document is required by insurance company before direct payment will be made. It can also assist you in defending any claims by the property owner “after the fact” and is valuable if you need to go to court or to collection since it is a statement by the property owner that the work was satisfactorily completed. Get this document signed immediately after completing work – walk the property with the owner in order to ensure that there is no issue outstanding and then ask the owner to sign the document and you can explain that it is for the insurance claim and even leave the property owner a copy – not all insurance companies require it but most all of them will be happy to receive it and it certainly will go into the property owner’s claim file. A sample is attached hereto as Document Exhibit B.
- (v) W-9 form – a simple IRS generated form available on the internet. It is generally required by insurance companies as condition for them to make payment directly to you. A sample is attached hereto as Document Exhibit C.
- (vi) Insurance companies making a direct payment to you may ask for a proof of insurance (general liability, automobile, umbrella) – it is good practice to have a soft copy of a certificate insurance on record (this can be easily obtained from your agent).

All written documents should ideally be in PDF format if sent by email, or they can be faxed. Digital photographs should be less than 1MB and should be individual files in JPEG or GIF format and not embedded in a Word document or a PowerPoint.

You may be asked for additional documentation or a professional opinion by an adjuster. Such documents may include a cause of loss opinion, replacement cost for lost or damaged trees or shrubs, subrogation reports (this document is used when the property owner’s insurance company intends to make a claim against a neighbor, for example, if the tree was on the neighbor’s property and it hit the property owner’s home), etc. Collecting comprehensive data when writing up a cost estimate will make providing additional services to adjusters (which you can charge for) much easier, particularly if you are an out-of-state tree company doing storm work and you are asked to provide information after you have returned to your home state.

*Special circumstances:* Any and all special circumstances which impact the difficulty of the job should be described. Such circumstances may include (but are not limited to):

- (i) lack of access to tree
- (ii) power lines
- (iii) tree has broken through roof
- (iv) tree is on multiple properties
- (v) mud or problematic ground/soil
- (vi) damage is in or near a body of water, i.e., pool, stream, waterside dock

*Listing of potential collateral damage resulting from tree removal and damage waiver:* In the event that damage to the property will likely occur during the removal, i.e., sod will be destroyed, other trees or shrubs will be destroyed, driveway may crack if heavy equipment is used, etc., this should all be noted and specific damage waivers procured from the property owner. Better to raise this upfront in order to allow the property owner and insurance company to make an educated decision. Upfront and full-disclosure is a good way to diminish liability and claims in the event of damage.

*Breakdown of estimate:* It is important to breakdown the estimate into components since certain aspects of the tree work may not be covered by insurance, i.e., generally stump removal is not covered. It is very important that the property owner understands what part of the work is covered and what is not in order to avoid collection issues after the work is completed. Furthermore, there may be coverage but a limit may apply, i.e., generally there is a \$500 limit on debris removal and any work classified as debris removal that costs in excess of \$500, the difference will be the responsibility of the property owner.

General components of the cost estimate may include:

- (i) removal of tree from structure
- (ii) debris removal/haul away
- (iii) removal of stump/stump grinding
- (iv) pruning of storm damaged trees
- (v) removal of a hazard tree – it is important to differentiate between trees which have fallen and trees which remain standing but which are a hazard. Usually hazard tree removal is not covered by insurance even if it threatens to do damage to an insured structure. When describing a hazard tree it is important to add whether the tree is threatening to damage a structure or fall in a managed area, i.e., driveway, play area.

REMEMBER: DURING MAJOR STORM EVENTS YOU MAY NOT BE ABLE TO HAUL AWAY DEBRIS. IF YOU DECIDE TO STACK THE WOOD AT THE CURB, YOU SHOULD CLEARLY STATE IN YOUR PROPOSAL THAT THE WOOD IS BEING STACKED AT THE CURB (PROPERTY OWNER’S COMMONLY ACCUSE TREE CARE COMPANIES IF NOT COMPLETING THE WORK WHEN THE WOOD IS STACKED AND BY INCLUDING IN YOUR

WORK ESTIMATE AND HAVING THE PROPERTY OWNER SIGN OFF ON THIS ON THE SIGNED WORK AUTHORIZATION, YOU WILL AVOID ISSUES). MAKE SURE YOU FAMILIARIZE YOURSELF WITH THE RELEVANT RULES (FEMA, MUNICIPAL, LOCAL) REGARDING WOOD STACKING – BY NOT BEING COMPLIANT WITH THE RELEVANT RULES YOU RISK DELAYING PAYMENT AND IT MAY NOT BE POSSIBLE TO RECITFY THIS SITUATION IF YOU ARE AN OUT-OF-STATE COMPANY. MAKE SURE YOU INCLUDE A COST OFR STACKING WOOD AT THE CURB AS THIS IS DIFFERENT THAN REMOVING THE TREE FROM A STRUCTURE. YOU SHOULD ALSO MAKE SURE YOU INCLUDE MENTION THAT WOOD WHICH IS STACKED MAY DESTROY SOD AND YOU SHOULD AN INCLUDE A DAMAGE WAIVER FOR DAMAGED SOD.

*Photographs:* It is expected today that service providers carry digital cameras and that they provide photograpgs of the damage. The following is a list of the photographs insurance adjusters generally like to see when presented with a cost estimate:

- (i) a view of the front of the home/primary structure with street number if possible (this is for confirmation that the property is indeed covered by the policy)
- (ii) 4-5 good photographs of the tree damage which shows both the damaged tree as well as the damage to the property, i.e., tree on roof, tree on fence
- (iii) If possible, it is a good idea to provide a photograph after the work has been completed
- (iv) If you are tarping, 2-3 photographs of the roof damage, prior to tarping, should be provided including close up of the roofing material and any punctures or fractures in

### What materials should you submit to an adjuster before and after the work has been performed

As mentioned, documenting the work you do is key to getting paid when doing storm work. It not only assists in working with adjusters and insurance companies but it is valuable if there is any legal action required on your part in order to collect payment. The following are documents that should be submitted to an adjuster:

- (i) Photographs – approximately 8 photos should be taken which include: a photo of the front of the home for id purposes; photos of the general area of the tree and any access issues, i.e., fences, shrub lines, etc.; photos of the damaged tree; photos of the damage to the home including a close up of any roof damage; a photo of the home after the work is complete. Photos should be JPEG (.jpg) or GIF (.gif) and should be under 1 MB.
- (ii) Work estimate – a cost estimate with as much detail as possible and broken into subsections, i.e., removal of tree from house; haul away and dispose of tree; stump removal. Tax, if applicable, should be added. (For more details on preparing a work estimate please see above.)

NOTE: THE PHOTOGRAPHS AND COST ESTIMATE ARE REQUIRED IN ORDER TO GET ADJUSTER APPROVAL. ADJUSTERS MAY NOT BE ABLE TO RECEIVE DOCUMENTS PRIOR TO GIVING APPROVAL BUT YOU CAN USE THE DOCUMENTS TO DESCRIBE THE SITUATION AND TELL THE ADJUSTER WHAT THE ESTIMATE IS – THE ADJUSTER SHOULD BE ABLE TO GIVE APPROVAL BASED ON A VERBAL DESCRIPTION. IF YOU CANNOT SEND THE ESTIMATE DUE TO CONDITIONS IN THE FIELD, I.E., NO POWER TO SEND FAXES OR POWER A COMPUTER, THEN PROVIDE (BY PHONE) AS MUCH DESCRIPTION OF THE DAMAGE (E.G., IS THE TREE ON THE HOUSE, HOW BIG IS IT, WHAT PART OF THE HOUSE, ETC.) AND DETAIL RELEVANT TO THE COST ESTIMATE (E.G., IS THERE EASY ACCESS, HOW BIG IS THE TREE, DO YOU NEED A CRANE, ETC.)

- (i) Signed work authorization – this should include the same information as set forth in the cost estimate, as well as any terms and conditions that the AM wants include, i.e., damage waivers. IMPORTANT: THIS IS IMPORTANT; NO WORK SHOULD BEGIN PRIOR TO HAVING A SIGNED WORK AUTHORIZATION.
- (ii) Invoice – any deviation upward in the invoice amount should be pre-approved by the adjuster-in-charge.
- (iii) Direct Pay Authorization – This document is meant to allow for direct

account.

The above list is not comprehensive but is meant to invoke thought on your part on whether your terms and conditions are sufficient, particularly if you are pursuing storm work. REMEMBER: IF YOU DO ANY WORK OUTSIDE THE SCOPE OF WORK DESCRIBED IN YOUR WORK PROPOSAL IT NEEDS TO BE PRE-APPROVED BY THE PROPERTY OWNER. YOU RUN THE RISK OF NOT BEING PAID FOR WORK THAT IS NOT AUTHORIZED AND YOU ALSO MAY BE LIABLE FOR DAMAGE DONE TO THE PROPERTY AS A RESULT OF UNAUTHORIZED WORK. THIS INCLUDES ANY TRIMMING OR SHAPING OF DAMAGED TREES – I.E., IF THE PROPERTY OWNER ASKS YOU TO TOP A DAMAGED TREE AND THEN DOES NOT LIKE THE OUTCOME YOU WILL ONLY BE PROTECTED IF YOU DOCUMENT THE PROPERTY OWNER'S INSTRUCTIONS.

### General terms and conditions to consider when doing insurance work

You should also have a work authorization properly filled out with the name of the property owner and address of the property being worked on. THE WORK AUTHORIZATION MUST BE SIGNED BY THE PROPERTY OWNER AND MAKE SURE TO HAVE THE PROPERTY OWNER SIGN AND PRINT THEIR NAME. Your work authorization is in essence a contract and you should consult a legal advisor on what terms and conditions you should include. There are certain terms and conditions which may assist you when doing storm work and they may include (but are not limited to):

1. Make sure it is very clearly stated that the person signing your work authorization is authorized to do so and that by doing so they are responsible for payment in full for services rendered.
2. Make it clear that by authorizing the work that the property owner agrees that they are responsible in full for payment and that payment is not subject to the terms of the property owner's insurance, whether the insurance payment is made, whether there is a deductible or any other issue that the property owner must handle.
3. Make sure that you have all of the necessary damage waivers for driveways, sod, etc. Insurance companies and collection agencies can use collateral damage against you when you try to collect payment.
4. Make sure your payment terms are clear, i.e., payment is due within 30 days of the date of invoice.

While this is not a term which will appear in your terms and conditions, if you noted hazard trees, "hangers" or any other condition of trees on a property and the property owner does not want to have the work done "because it is not covered by my insurance", it is recommended to note that you advised the property owner of hazards and the property owner refused work. You can do this on your invoice as a note or some other standalone notice. The advantage of doing this is that it provides you with some degree of protection if additional tree damage occurs after you work. Disadvantages can include: creates tension with the property owner; can create further exposure if you note that the property owner refused work on a hazard tree and then a different tree altogether falls – you may find yourself in a situation where the property owner says you noted *tree X* to be hazard but said nothing about *tree Y* which fell and caused damage. There is no way to protect yourself 100% - a good rule of thumb is either to state in your work estimate or your standard terms and conditions that you are not responsible for the condition of any trees for which you were not hired to work on. Obviously, the various rules of ethics which you may be subject to as a certified arborist or TCIA member may require you note certain openly noticeable hazards or hazards which are in proximity to your area and professional codes of conduct must be taken into