

Good Afternoon

My name is John Voelpel. I am a licensed independent adjuster in Orlando, Florida. Before starting my firm in 1999, I worked for two insurance companies for 24 years.

I graduated from college in 1973 with a BS in Business Administration from the University of Central Florida. Immediately after graduating I went to work as an adjuster for a major insurance carrier. I have earned my AIC Designation - Associate in Claims; CPCU designation - Chartered Property and Casualty Underwriter and am continued education compliant with the State of Florida until January 2019.

I have had the honor of being the Past President of the following organizations:

Orlando Claims Association

Orlando Claims Managers Council

Central Florida Chapter of CPCU

FACAP (Florida Advisory Council for Arson Prevention)

WIND (Windstorm Insurance Network)

Over the past 20 plus years the majority of my time has been involving Appraisals. Since 2004, I have acted almost exclusively as an umpire in the Appraisal process. To date I have been involved in well over 1000 appraisals and have been the umpire 95% of the time. I have been appointed to be the umpire 40 times by both Federal and State Courts all over the country.

Through my involvement with WIND, I was asked to start an "Umpire Certification" program so that we could properly train potential umpires. One of our first steps was to create a Code of Ethics for Umpires in the Insurance Appraisals, which I drafted. The Code of Ethics was adopted by WIND in 2005 and updated in 2007.

I have taught in every Umpire Certification session since the program was developed.

Later we saw a need for an Appraiser Program. I chaired the committee that wrote the Code of Ethics for Appraisers which was adopted by WIND in 2011. I have also taught in each session of Appraiser Certification which has been offered by WIND.

When a policyholder has an event occur they report the claim to their insurance carrier. If coverage is afforded, an adjuster is assigned and the insurance adjuster attempts to settle the claim with the policyholder or their representative. Naturally, not every claim

is settled to the complete satisfaction of the insurance company and the policyholder and this is when the dispute arises. This dispute needs to be resolved. No one wants or needs a conflict or dispute to exist indefinitely. The policyholder has endured an event that has damaged his or her property. They want to know how much they will be paid and the basis of that payment from the insurance company. Simply put, they want to be indemnified for their loss and to move forward with their lives. Similarly, insurance companies do not want to keep a claim file open indefinitely. An open claim file means an open reserve. As long as the reserve remains open, the insurance company loses the opportunity to invest those funds in anything other than the most stable investment. In addition, there is a cost of manpower to constantly monitor the open claim file. There really is no financial advantage for an insurance company to keep a claim open just for the sake of not paying what it owes under the insurance contract.

When a policyholder and insurance company come to a stalemate, what do they do to move the matter forward and get the claim resolved? Most insurance policies that provide personal lines property, commercial lines property and yes, even some automobile physical damage coverage, contain an Appraisal Provision in the policy.

One would ask, exactly what is Appraisal? I would like to offer my personal definition: “Appraisal is a feature of the insurance contract whereby the Appraisal panel determines the amount of loss and damage to an insured item(s) and/or the value of covered property.

The Appraisal process is not a new gimmick to settle claims. Indeed it was mandated in 1793 in a policy issued by the Insurance Company of North America. The modern form states either party, the policyholder or the insured, can demand Appraisal. When Appraisal is demanded, the demanding party must provide the name of their appraiser and that appraiser’s contact information. The other party must respond within a set amount of time and provide the name and contact information of their appraiser. The two appraisers then agree on an umpire. If the appraisers cannot agree on an umpire, the Court is petitioned to name an umpire. The appraisers then attempt to agree on the loss and damages. If they cannot agree with each other, they place their differences before the umpire. Agreement of any two of the three party panel constitutes an Award.

Of course there have been attempts by those to take advantage of the simple language contained within the Appraisal provision. DORA has attempted to regulate the Appraisal process in Bulletin No. B-5.26. While this has been an admirable step, I believe

it is necessary to pass House Bill 17-1319. The DORA Bulletin specifically stated that it was written to provide guidance to insurers, insured and licensed public adjusters when the Appraisal provision is invoked. House Bill 17-1319 will provide statutory requirements for those handling claims in the Appraisal process; thus, making the process much more fair for all parties involved.

Do you have any questions?