

Avoid a Public Insurance Adjuster Scam

Rebuilding your home or business and repairing your car is important but signing a contract with an unscrupulous party can make a bad situation worse. The Office of the Commissioner of Insurance (OCI) advises you to take your time, do your homework, and check that the public insurance adjusters and contractors you encounter are licensed or properly registered and legitimate. If you feel pressure to sign a contract quickly, take a step back and investigate. For more information about small business insurance, download [The Consumer's Guide to Insurance for Small Business Owners](#) on our website (oci.wi.gov).

Tips to Avoid a Scam

Verify the nonresident public adjuster's registration.

Nonresident public adjusters must register with the Wisconsin Office of the Commissioner of Insurance. Verify the adjuster you are considering is registered if they are a nonresident. Registration with OCI is optional for resident public adjusters. Look up a public adjuster at oci.wi.gov/Pages/Consumers/Look-Up-a-Public-Adjuster.aspx.

Check the public adjuster's reputation.

Ask the individual how long they've been an adjuster. Inquire about their permanent residence. If they are from out of state, they are required to register with OCI. Find out if there have been complaints against the individual or business by searching online. Ask the adjuster for local referrals and make sure you contact them.

Read carefully before signing the contract.

Be sure you understand the contract. Do not sign a contract unless you understand and agree to its terms. In Wisconsin, a public adjuster is required to file their contract with OCI and is required to provide that contract to a consumer **before** performing any adjusting services. A public adjuster cannot request or accept an assignment of insurance policy proceeds from a customer.

The contract **must**:

- Provide an attestation that the public adjuster is bonded
- Disclose the compensation that the public adjuster will receive
- Give the customer the option to void the contract within five days of execution
- Notify the customer of their right to file a complaint with OCI

The contract **cannot**:

- Require the customer to authorize the insurer to issue a check only in the name of the public adjuster
- Require the customer to pay collection costs or a late fee to the public adjuster

About OCI

OCI is the state agency that regulates the insurance industry and works to protect the rights of insurance consumers. Contact us if you believe you have been treated unfairly by a public insurance adjuster or if you wish to report fraudulent activity from an adjuster or an agent. File a complaint online: oci.wi.gov/Complaints, call (608) 266-3585 or (800) 236-8517, email ocicomplaints@wisconsin.gov, or write PO Box 7873, Madison, WI 53707-7873.

For more information or to file a complaint, visit our website or contact:

Office of the Commissioner of Insurance, 101 E. Wilson Street, P.O. Box 7873, Madison, WI 53707-7873
p: 608-266-3585 | p: 1-800-236-8517 | f: 608-266-9935 | ociinformation@wisconsin.gov | oci.wi.gov

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