

NOTE

The Subject Matter of this Bulletin was incorporated into Insurance Regulation 42 and Insurance Regulation 43.

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Department of Business Regulation

1511 Pontiac Avenue
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Insurance Bulletin Number 2003-11

INSURANCE APPRAISERS AND INSURANCE ADJUSTERS

The Department of Business Regulation ("Department") issues this bulletin to inform insurance companies of their obligations pursuant to R.I. Gen. Laws § 27-9.1-1 *et seq.*, the Unfair Claims Settlement Practices Act.

In the handling of motor vehicle damage claims, the following applies: If an insurance company chooses to appraise the damaged motor vehicle, a licensed appraiser must perform an independent appraisal of the damaged motor vehicle which appraisal shall clearly indicate all damage whether related to the accident or not. This appraisal shall be conducted pursuant to R.I. Gen. Laws § 27-10.1-6(b), any regulations promulgated thereto, and Insurance Bulletin Number 2002-6.

An insurance adjuster's duties include determining the amount of money that an insurance company will pay for a claim for a damaged motor vehicle. While an insurance adjuster may rely upon the written appraisal in the settlement of the claim, an insurance adjuster cannot require an appraiser to either include or exclude damage on an appraisal provided however; the adjuster may provide the appraiser with information relating to damage unrelated to the incident or accident that occasioned the appraisal of the vehicle, or old damage, if the information to be provided by the adjuster is required to be included by the appraiser in the appraisal pursuant to R.I. Gen. Laws § 27-10.1-6. If an insurance company acts contrary to these procedures, it may be found to be in violation of R.I. Gen. Laws § 27-9.1-1 *et seq.*

Marilyn Shannon McConaghy
Director
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