

THE NAPIA MEMBERSHIP MYTH

by Jeff Gould, CPA, American Claims Management Services

Recently, NAPIA Counsel Brian Goodman and I had the opportunity to speak to the Professional Public Adjusting Association of New Jersey about NAPIA and current issues in public adjusting. Many of the attendees were not, and had never been, NAPIA members. Part of my presentation addressed the myth that our association was only for large national public adjusting firms.

After the meeting I was approached by several attendees from small firms who thanked me for my comments and confirmed they, in fact, had not considered applying for membership because of this perception.

NAPIA membership is available to all full-time public adjusters who comply with our code of ethics. In reality, as of March 2017, seventy-one percent of our member firms (accounting for about forty-seven percent of our dues revenue) were staffed by two adjusters or less. Eighty-three percent of member firms (accounting for about sixty percent of our dues revenue) were staffed with four adjusters or less. In addition four of our seven current officers are from firms with four adjusters or less.

NAPIA is not only for small public adjusting firms – it wouldn't exist without them!

Obvious benefits of membership include continuing education and CE credits; monitoring of legislation around the country that could be detrimental to public adjusting or policyholders; fighting the unauthorized practice of public adjusting, and providing a voice at NAIC and other national organizations important to our industry. Benefits not as obvious include an instant network of hundreds of respected adjusters around the country to consult on complex claims or obtain referrals for experts; a listing on the NAPIA website where insureds search for public adjusters after a loss; a network of trusted adjusters to assist on claims in states your firm may not be licensed, and a network of referral sources for claims in states in which you are licensed.

Being from a small firm myself, I can speak to the numerous advantages of membership.

Another myth I hear is it's too expensive. However, being active in NAPIA, attending its conferences and seminars, getting to know adjusters around the country and being listed on the NAPIA website has resulted in referrals of claims I would likely not have known about. In most years my NAPIA membership has more than paid for itself.

I encourage all current member firms, large and small, to become more involved, volunteer to be on committees, attend conferences and learn how NAPIA membership can be mutually beneficial. I also encourage members to promote the benefits of membership to non-member firms you believe comply with our code of ethics.

If you're reading this and are not a member, please contact headquarters (www.napia.com), a current member or me to learn more about how membership can benefit both you and your firm. NAPIA also offers membership to non PAs in our profession.

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SMALL PUBLIC ADJUSTING FIRM – BIG RESULTS!

by Clay F. Morrison, CPPA, of Morrison & Morrison, Inc.

In the mid 1990's, I vividly recall sitting by a friend's pool talking about problems she was having while trying to recover from a flood that had devastated her home. My friend described the immense frustration she was experiencing as she attempted to resolve a claim with the insurer, and how the insurer had made her life miserable with over bearing demands on her time and abilities. My friend then said that she had discovered a service that she was completely unaware of prior to her claim, and proceeded to hand me a colorful, glossy brochure. She described how the company in the brochure (a public adjusting firm) would document her loss, estimate the damage to her structure, inventory her contents and negotiate a fair claim settlement on her behalf for a reasonable contingency fee. As I glanced through this professional looking brochure by Jansen International, I remember thinking, "What a great concept, and judging by their brochure, this is obviously a large, well established company."

I have always been an entrepreneur at heart, even during my days of mowing lawns to get through college. Just a few years after the poolside conversation with my friend, I found myself operating what had grown to be a very busy and successful insurance restoration company with State Farm as my largest customer. Business was booming and I was asked to assist with training of new adjusters, evaluate losses, and provide independent consulting for catastrophic claims made upon the insurer. I had built a small kingdom serving insurers and life was good until one day when an upper level claims manager invited me to a closed door meeting where he made a request that I will never forget as long as I live. His request, simply stated, was "We refer a lot of restoration business to you, and we need your help in rectifying the consumer's entitlement mentality." I was so stunned by this statement that I found myself searching for a reply, any reply, but found none. I did question my counterpart's motives and objectives, and immediately realized that in good conscience I could not fulfill their requests. As a result of my unwillingness to "play ball," and because I had built my world around serving the insurers, the flow of claims referrals immediately ceased and my very successful restoration company was reduced to an out of business restoration company.

Shortly thereafter, during a phone conversation with another friend, it was suggested that I think about becoming a public insurance adjuster due to my construction experience and intimate knowledge of the inner workings of an insurance claims department. At this suggestion the memory of that professional public adjuster brochure from a few years earlier immediately came back to me, and I began researching the who, how, what and where of public adjusting. I dove in head first and began trying to learn everything I could. I spent the first couple of years as a public adjuster working under several other established PAs. Watching their actions taught me not only how to act as a public adjuster, but how NOT to act as well. The more I was exposed to those working in the public adjusting field, the more I began to realize there was a tremendous need for an organization that would prescribe and hold public adjusters to a code of ethics, would provide educational products, would take a lead role in addressing licensing issues, and would provide a forum for exposure to and relationships with the leaders in the public adjusting profession.

After some lengthy research, I discovered NAPIA and promptly filled out an application. At the time I joined it was highly unusual for a one person shop to be a member. As a small operation, it was a big step for me to pay what I considered fairly expensive fees for membership. However, I am a firm believer in, and subscriber to, some very important principles. First, if you want to be successful in a field, you must associate yourself with people who are the most successful in that field. Second, if you endeavor to do something, you should strive to be the best. For me, joining NAPIA was the first step in being associated with, as well as learning from, the best in the business.

As a small operator, it was also very important for me to find an organization with an effective professional education program. I have found that many of the problems we encounter as an industry are caused by the actions of a few who don't fully understand either the legal ramifications

of their actions or the insurance policy issues at hand. NAPIA has done an extraordinary job of addressing both over the years by providing access to some of the best minds in the business. NAPIA has a certification program, offering two designations (Certified Professional Public Adjuster and Senior Professional Public Adjuster), which I am pleased to be a part of. These designations are available only to the most experienced PA's who are willing to study and sit for an examination. If you think the insurer doesn't notice this designation when they receive correspondence from you, think again.

The information to be gained from those with experience in my field is immeasurable, and I am able to find that with NAPIA. Likewise I am able to connect with other members as a resource if an issue comes up that I need assistance with. I care about furthering the public adjusting profession and believe that in order to promote that philosophy nationwide, we must come together from all over the United States and join forces.

I belong to the Texas Association of Public Insurance Adjusters and the Florida Association of Public Insurance Adjusters, and I support their regional efforts in Texas and Florida because these are the primary states where I work. Like many other occupations; however, a national organization lends credibility to a profession when facing the multiple issues we confront today as public adjusters. I would like to see more solo or small firms get involved and I encourage them to actively participate in NAPIA for the good of our profession.

If you are a small public adjusting firm considering membership in NAPIA, I would like you to make note of one fact. If not for the efforts of the association and the subsequent publication of the NAIC Public Adjuster Model Act, it is likely that you would not have licensing in your state. NAPIA is responsible for licensing in the vast majority of states where you can practice as a public adjuster legally and with reasonable regulation. Nationwide licensing has legitimized our profession in every way.

Yes, sometimes it can be expensive for a small firm to be active in multiple associations. But if you are thinking about joining NAPIA, instead of asking "Can I afford to join?" you should ask yourself "Can I afford NOT to join?"

Oh by the way, if you happen to think professional color brochures are just for the big guys, the next time you notice a brochure for public adjusting, check the label, it might just be mine.

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