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Do You Need a Public Adjusters License?

What is a public adjuster?

A public adjuster is a person or business that helps a policyholder with an insurance claim. Public adjusters are hired by the policyholder; they are not employees of insurance companies. All public adjusters must be licensed by the Pennsylvania Insurance Department.



What does a public adjuster do?

A public adjuster provides numerous services to help settle a claim like:

- Reading the insurance policy to determine what is covered.
- Determining how long it will take and how much it will cost to fix the property.
- Negotiating with the insurance company to settle the claim.



Are there special rules for public adjusters?

Yes, there are rules public adjusters must follow. These include:

- An adjuster may not begin helping with a claim unless they have assigned a contract with the policyholder. Any contract that an adjuster uses must first be approved by the Insurance Department. The Department reviews all contracts to make sure they contain the information and disclosures required by law.
- An adjuster who is also a contractor can only perform one function at a time.
- An adjuster who also wants to work as an insured contractor cannot begin to repair the property until the insurance company has made a decision on the claim.
- An adjuster who is also a contractor must have two different contracts with the policyholder: an approved public adjuster contract and a separate service contract for any repair work.



**CONTRACTORS -
AVOID UNLICENSED ACTIVITY.**

CONTRACTORS CANNOT ACT AS A PUBLIC ADJUSTER UNLESS THEY ARE LICENSED. INAPPROPRIATE PRACTICES CAN OCCUR, SO BEFORE YOU OFFER TO HELP SOMEONE WITH THEIR CLAIM, THINK ABOUT THE THINGS YOU DON'T WANT TO DO:

1. **DON'T advertise** that you can help with the claims process unless you are a public adjuster.
2. **DON'T interpret** an insurance policy unless you are a public adjuster.
3. **DON'T negotiate** with an insurance company. You need to be licensed to negotiate on behalf of a policyholder.
4. **DON'T advertise** that you can get someone more money from an insurance company. If you cannot negotiate, you cannot claim that you can get someone a better settlement.
5. **DON'T claim** your services may be free due to insurance coverage. The services you provide and the coverage provided by the insurance company should not be linked; it implies that you have a relationship with the insurance company.