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## **Addressing Assignment of Benefits Abuse Tops the List of Action Steps Following One of the Most Active Hurricane Seasons**

TALLAHASSEE, Fla. — As the record-setting 2017 Atlantic hurricane season comes to an end, the Property Casualty Insurers Association of America (PCI) stresses the importance of being prepared and encourages lawmakers to address the abuse associated with the practice of assignment of insurance benefits.

Florida was battered by Hurricane Irma, which brought intense rain, causing significant damage and flooding. The significant damage policyholders across Florida endured highlights the importance of addressing assignment of benefits (AOB) abuse that continues to plague drivers and homeowners.

“The widespread storm damage and billions of dollars available from insurance settlements, creates opportunities for unscrupulous contractors to prey on storm victims who unwittingly sign over their insurance benefits,” said Logan McFaddin, PCI regional manager. “Assignment of benefits abuse is on the rise in Florida, especially around the time of a big named storm, making Floridians vulnerable to bad actors. By contacting your insurance agent first for a list of approved vendors – both property and auto – Floridians can avoid being taken advantage of, which often leads to hefty litigation and high insurance premiums.”

Some auto glass repair companies also get in on the AOB scheme, resulting in AOB abuse affecting both property owners and auto owners. These bad actors then file inflated claims and pursue lawsuits against insurers when those claims are disputed or denied – often without Florida policyholders’ knowledge.

“With total AOB lawsuits increasing nearly 300 percent over the last seven years, PCI is a strong supporter of legislative reform in the upcoming session to reverse this growing trend. Floridians deserve to have a system in place that helps them during their time of need, not one that causes additional stress for them, our court system and the insurance marketplace,” concluded McFaddin.

For information on the insurance claims process after a major storm, please visit [FLOIR.com/HurricaneResource](http://FLOIR.com/HurricaneResource).

For information on AOB abuse, please visit [fightfraud.com](http://fightfraud.com) or [MyFloridaCFO.com/AOBConsumerTips](http://MyFloridaCFO.com/AOBConsumerTips).

PCI reminds Floridians to always be prepared by following these simple steps:

1. Review and assess your insurance policy
2. Develop your emergency and evacuation plan
3. Practice your plan with your family
4. Prepare your home
5. Create a home inventory
6. Be wary of signing any documents regarding your insurance benefits without first talking to your insurer

PCI has a wide range of resources available at [www.pciaa.net](http://www.pciaa.net). Follow us on Twitter @PCIAA and use #Natlprep #PrepareAthon #HaveAPlan #HurricanePrep to keep the conversation going.

PCI promotes and protects the viability of a competitive private insurance market for the benefit of consumers and insurers. PCI is composed of nearly 1,000 member companies, representing the broadest cross section of insurers of any national trade association. PCI members write \$220 billion in annual premium, 37 percent of the nation's property casualty insurance. Member companies write 44 percent of the U.S. automobile insurance market, 30 percent of the homeowners market, 35 percent of the commercial property and liability market and 37 percent of the private workers compensation market.

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