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Property & Casualty Division

**BULLETIN 21-20**

**DATE:** August 16, 2021

**TO:** All Property and Casualty Insurers and Producers and the Joint Insurance Association

**RE:** Utilization of independent adjusters and out of state company adjusters

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The Insurance Administration reminds all insurers that they are responsible for the actions of independent adjusters, CAT Adjusters and other vendors they retain or employ to handle any portion of their policyholders' claims in the same manner they are responsible for adjusters that directly work for the insurance company. All adjusters, whether working in the field or remotely, must be familiar with and must adhere to the requirements of Maryland insurance law, including the Unfair Claims Settlement Practices Act, at all times. Similarly-situated homeowners must receive equal treatment.

The Insurance Administration's Rapid Response Program recently received a complaint where two homes located next door to one another that sustained substantially similar damage from the same storm and were insured by the same company initially received dramatically different claim outcomes. The Consumer Education and Advocacy Unit ("CEAU") determined that one claim was handled by a company adjuster and the other by an independent catastrophe-adjuster. Although the claim was ultimately resolved in favor of the consumer this caused a delay in payment to the consumer that should not have occurred.

Please contact Associate Commissioner for Property & Casualty, Robert Baron, if you have any questions concerning this Bulletin ([Robert.Baron@Maryland.gov](mailto:Robert.Baron@Maryland.gov) / 410.468.2353).

KATHLEEN A. BIRRANE  
Commissioner

Signature on original

By: \_\_\_\_\_  
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