



**NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA
STATE OF NORTH CAROLINA
OFFICE OF THE COMMISSIONER OF INSURANCE**

ORDER

WHEREAS, Part 2 of Article 44 of Chapter 58 of the General Statutes of North Carolina provides for a nonadversarial alternative dispute resolution procedure for a facilitated claim resolution conference prompted by the critical need for effective, fair, and timely handling of insurance claims arising out of damages to residential property as the result of an event for which there is a state of disaster declared within 60 days of the event; and

WHEREAS, a state of disaster has been proclaimed for the State or for an area within the State by the President of the United States as a result of the storms, tornados and flooding (FEMA DR-1969) that occurred on April 16.

NOW THEREFORE, pursuant to the authority vested in me as Commissioner of Insurance by North Carolina General Statute § 58-44-70, IT IS ORDERED:

SECTION 1. The mediation procedure authorized by Part 2 of Article 44 of Chapter 58 of the General Statutes of North Carolina is hereby established.

SECTION 2. All insurance companies subject to Part 2 of Article 44 of Chapter 58 of the General Statutes of North Carolina shall use the attached Template for "Right to Mediate" Notice.

This 20th day of April 2011.


Wayne Goodwin
Commissioner of Insurance

Template for “Right to Mediate” Notice

[Date]

[Policyholder Name and Address]

{Policy number and/or Claim Number}

NOTIFICATION OF THE RIGHT TO MEDIATE RESIDENTIAL PROPERTY DISASTER INSURANCE CLAIM

The General Assembly of North Carolina has enacted a law to facilitate fair and timely handling of residential property insurance claims arising out of disasters. The law gives you the right to attend a mediation conference with your insurer in order to settle any dispute you have with your insurer about your claim. An independent mediator, who has no connection with your insurer, will be in charge of the mediation conference.

The mediator does not decide the dispute, but will facilitate discussion/negotiation between the parties. There is no cost to you for this service.

“Disputed Claim”

For the purpose of this mediation program, a “disputed claim” does not mean a claim denied because of exclusions, terms or conditions in the policy, or because the policy was not in force at the time of loss. “Disputed claim” also does not mean a claim that the insurer has reported to the Department of Insurance’s Investigations Division due to suspected insurance fraud.

Eligibility

To be eligible for a mediation conference:

- You must have a disputed claim arising from a declared state of disaster in which the insurer has denied payment in whole or in part.
- The dispute must be over the insurer’s findings on the cause of loss, or the amount of the loss.
- The disputed amount (difference in position between you and your insurer), must be at least \$1,500 unless both parties agree to mediate a smaller dispute.

Requesting a Mediation Session

- You must request mediation within 60 days of your claim being denied, or your right to mediation is lost. Failure to request mediation does not prejudice any other legal right or remedy that you may have to pursue your claim. **To request mediation, you may contact the Mediation Administrator at:**

American Arbitration Association
Central Case Management Center
13455 Noel Road, Suite 1750
Dallas, TX 75240-6620
(800) 426-8792

<http://www.adr.org/sp.asp?id=29630%20>

- Your request must include the following information, if known:
 - Your claim number and policy number.
 - Your name, mailing address, and (if different) property location.
 - A daytime telephone number where you can be reached.
 - A brief description of the nature of the dispute.
 - The name of your insurance company and the name, address and phone number of a contact person (if other than you) for scheduling mediation.
 - Information on any other policies of insurance that may provide coverage of the insured property for named perils such as flood, earthquake or windstorm.
- Once your request for mediation is received, the Administrator will contact you to schedule your mediation conference, and to provide further information such as the location of the mediation session, how to prepare, etc. The Administrator will select the mediator.

If you need further information

If you have any questions or need additional information concerning this notification, you may contact:

< insert name and address of insurer, contact person/division and phone number >