

# Understanding The Claims Process

Mississippi Institutions Of Higher Learning

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## Institutions of Higher Learning

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## IHL Approved Disaster Response Contracts

- **Pre-Negotiated Pricing**
- **Preferred-Client Status**
- **Avoiding procurement delays**

## Highlights:

- **Voluntary for university use in responding to large losses**
- **Direct contract between a university and the contractor**
- **Can contract now and later add a Scope of Work**
- **\$5 million limit per contract but can contract with multiple companies**
- **Build a relationship with one or more of these companies now so they can be part of your emergency plans**
- **They offer assistance with emergency planning without charge**
- **These contracts don't require additional IHL approval or emergency purchasing**

## Winning Contractors

- **Guarantee Restoration Services**
- **NorthStar Recovery Services**
- **Service Masters Recovery Management**
- **Cotton Commercial USA**

The above contractors were all judged to be excellent based on cost and qualifications, and are all available for university use. Their proposals have been shared with each university, but you can reach out to David Buford for information. His email and number are as follows: [dbuford@mississippi.edu](mailto:dbuford@mississippi.edu) and 601-432-6688. Thanks to staff at MSU, USM, and AJG for their assistance with this system project.

## Emergency Procurement

- Requires university president's written declaration
- Requires coordination between your procurement office and DFA, both pre-contract and after IHL Board approval.
- Should require multiple quotes
- Requires submission to IHL Board after contract made

## Appraisals

IHL has drafted an RFP for appraisals of the system's real property. This upcoming project will be presented to university CFOs soon.

# How To Prepare For A Property Loss

Joshua Martinez

Assistant Vice President, Senior General Adjuster

AFM – Atlanta Operations

- **Discuss the importance of a business continuity plan in the event of a major loss**
- **Discuss what to do in the event of a loss**
- **Provide guidance on successful claim submission and recovery after the loss**



# What is covered?

- **In General:**
  - Discrete events of physical loss or damage
  - To insured property
  - From a risk of loss
  - Where no exclusion applies
- **If in doubt, make the call...**

# Covered?



# Covered?





All losses are not created equal. . .





# Before the loss . . .



# Before the loss . . .

- Develop a detailed loss management plan
- Understand insurance coverages available
- Evaluate methods to restore operations
- Internal procedures and guidelines
- Key contacts on your emergency team
- Designate a liaison to work with the adjuster



# The loss . . .



# The loss . . .





# The loss . . .



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- Prompt
- Discrete events of physical damage
- If in question report incident

# Emergency Activity



- Rough debris removal
- Water extraction
- Dehumidification
- Restoring fire protection
- Access to emergency power
- Relocation of operations
- Expediting delivery of equipment
- What would you do if insurance was not involved



- Use of consultants by AFM
  - Accountants
  - Engineers/Building Consultant
  - Salvors
- Mitigating the loss
- Your expertise
- Restoration vs Replacement
- Joint Inventory of damaged stock & supplies

- Set up special account number early
- Capture insured hourly labor
- Agreed to firm bids
- Time & Material contracts with not to exceed bid
- Your “Preferred Contractors”
- Advance payments

- Summary of costs claimed
- Invoices for outside contractors
- Summary of insured hourly labor
- Invoices
- Document unit costs of expensive/large quantity inventory items

- What to include:
  - Building
  - Machinery and Equipment
  - Stock and Supplies
  - Clean up labor/debris removal
  - In house labor with unit costs and jobs performed



## What to include:

- Period of Indemnity
  - Direct insured physical loss or damage resulting in lost sales
  - TE calculations (i.e. net profits + fixed expenses)
  - Expenses to mitigate a loss of sales
  - Extra Expenses to continue operations
- 
- Loss of rental income

- What is it?
- 
- Attorneys/Cause & Origin Investigators
- 
- Protecting evidence
- 
- Notice to 3rd parties
- 
- Waiving subrogation rights

- Partnership
- Work together
- Identify and resolve problems immediately
- Prompt Payment

- 14:26:59 From Dean Hansen : Does each university have its own policies or are all policies held at the IHL level and apply equally to all campuses?
- 14:28:02 From Dean Hansen : So same deductibles, etc.?
- 14:33:24 From TerrenceHurssey : How do we notify you all of a possible emergency? Phone call, text, email etc.
- 14:34:40 From Jeff Estes : 601-506-1448 Jeff Estes
- 14:36:22 From David Buford : David Buford Cell 601-951-6147
- 14:44:04 From Dean Hansen : What about damage to personal property (owned by a faculty or staff member) that gets damaged in an academic or administration building loss?
- 14:48:52 From Jessica Thornton : Same question for students in residence halls?

**Thank you. Any questions?**

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