

# PSAA MONTHLY

## HIGHLIGHTS

**Washington Insurance Fair Conduct Act (IFCA) Update**

(starting on page 3)

**Save the Dates**

(page 8)

**Claims Conversations**

(beginning on page 9)

**Casino Royale Holiday Flyer & Sponsorships**

(page 15-16)

**PSAA Member Registration Form**

(page 20)

## WHAT'S HAPPENING NOW...

PSAA Monthly Meeting

**“Rules of the Road for Insurance Claims Adjusting”**  
(1 WA CE Credit)

Presented by Paul M. Rosner, J.D.,  
CPCU Soha & Lang, P.S.

NOVEMBER 17TH @ 11:30AM

**THE RENAISSANCE SEATTLE HOTEL**  
515 Madison St, Seattle, WA 98104

Meeting Sponsor: RW Anderson  
Dessert Sponsor: FRSTeam



90 years of service to the claims community

## OUR MISSION

"A professional organization dedicated to the ongoing education of the claims community. Providing an arena for member interaction and the sharing of resources"

**CRDN**

**Textile & Electronics  
Restoration**

Clothing	TVs
Footwear	Computers
Towels	Cameras
Linens	Clocks
Drapery	Lamps
Rugs	Power Tools
Handbags	Appliances
Plush Toys	Data Recovery



24/7 Claim Assignment 800-963-CRDN | CRDN.com



**CRDN of Seattle  
and Western Washington**  
Locally at 206-286-1866

One-hour Response  
Room-by-room Inventories  
Comprehensive Electronics Testing  
Restore or FREE Guarantee



Full-service abatement company  
located in Tacoma, Washington

**Asbestos Abatement  
Lead Abatement  
Mold Remediation  
General Demolition**

253.830.5945

[www.tacomaabatementcompany.com](http://www.tacomaabatementcompany.com)

**Thorough Documentation  
Detailed Scope Presentation  
Consistent Communication**

**ARESRESTORATION.COM**

*Giving You Back Your Home*

## PSAA BOARD OF DIRECTORS

2023-24

### **Keely Abbas**

Crawford & Company  
keely\_abbas@us.crawco.com  
406-439-6932

### **Lizzy Adkins**

Crawford & Company  
lizzy.adkins@us.crawco.com  
253-376-8085

### **Roger Howson**

Claims Dispute Resolution  
rhowson@claimsdispute.com  
206-979-0659

### **Bianca Mollo**

ATI Restoration  
bianca.mollo@atirestoration.com  
206-620-4281

### **Sherry Moore**

Crawford & Company  
sherry\_moore@us.crawco.com  
404-905-7212

### **Nicole Porter**

Alaska National Insurance  
nporter@alaskanational.com  
206-515-1836

### **Paul Rosner**

Soha & Lang  
rosner@sohalang.com  
206.654.6601



# IFCA UPDATE

## Everything You Need to Know About the Washington Insurance Fair Conduct Act (IFCA), But Were Afraid to Ask.

By Tate Kirk and Cristin Cavanaugh of Soha & Lang, P.S.

Claims handling in Washington can be challenging, and the enactment of the Insurance Fair Conduct Act (IFCA) in 2007 made the challenge even larger. Since IFCA's enactment, Washington state and federal courts decisions have provided guidance on how the law impacts claims handling. This article outlines a few of the important recent decisions.

IFCA, codified at RCW 48.30.010 and 48.30.015, is intended to create a cause of action for insureds to address when coverage or payment of benefits from an insurer has been unreasonably denied. A violation of an insurance regulation does not give rise to an IFCA claim. *Perez-Crisantos v. State Farm Fire & Cas. Co.*, 187 Wn.2d 669 (2017). With the statute, insureds can recover actual damages, attorneys' fees, litigation costs, and (up to) treble damages. Further, if any specific claims handling rules are violated, attorneys' fees and (up to) treble damages are also recoverable. The full statute can be found at this link: <https://www.insurance.wa.gov/insurance-fair-conduct-act-ifca-laws-and-rules>. Below, we will outline some of the most significant IFCA rulings in recent years.

*(continued on page 5)*

J.S. Held is a multidisciplinary consulting firm providing specialized technical, scientific, financial, and advisory services.

Accident Reconstruction	Forensics
Construction Claims & Disputes	Global Investigations
Environmental, Health & Safety	Project Support Services
Equipment	Property & Infrastructure Damage
Expert Services	Surety
Forensic Accounting, Economics & Corporate Finance	

Learn more about our multidisciplinary expertise at [jsheld.com](http://jsheld.com) or contact Laura Sedivy via [lsedivy@jsheld.com](mailto:lsedivy@jsheld.com) or 480-387-0183.

**ALL AMERICAN**  
RESTORATION SERVICES

**YOUR CHOICE FOR FIRE & WATER  
DAMAGE RECONSTRUCTION!**

TACOMA BASED.  
SERVING WESTERN WASHINGTON SINCE 2016.  
[www.allamericanres.com](http://www.allamericanres.com) 253.691.500

**Dedicated To Helping Your Business Grow.**

We'll pick you – and your customers up.  
Call 1 800 rent-a-car for the location nearest you.

We'll pick you up.



# PSAA COMMITTEE LIAISONS

## 2023-24

### HOLIDAY CO-CHAIRS

Julia Crutcher

[jcrutcher@chartercon.com](mailto:jcrutcher@chartercon.com)

Lizzy Adkins

[lizzy.adkins@us.crawco.com](mailto:lizzy.adkins@us.crawco.com)

Sarah Roberts

[sroberts@smtacoma.com](mailto:sroberts@smtacoma.com)

### BOWLING TOURNAMENT CHAIR

Bianca Mollo

[bianca.mollo@atirestoration.com](mailto:bianca.mollo@atirestoration.com)

### VENDOR FAIR SYMPOSIUM CHAIR

Lizzy Adkins

[lizzy.adkins@us.crawco.com](mailto:lizzy.adkins@us.crawco.com)

### EDUCATION & SYMPOSIUM CHAIR

Roger Howson

[rhowson@claimsdispute.com](mailto:rhowson@claimsdispute.com)

### GOLF TOURNAMENT CHAIR

Lizzy Adkins, Chair

[lizzy.adkins@us.crawco.com](mailto:lizzy.adkins@us.crawco.com)

### WEBSITE/NEWSLETTER LIAISON

Hannah Howson

[hhowson@claimsdispute.com](mailto:hhowson@claimsdispute.com)

### NEWSLETTER EDITOR

Courtney Temple

[courtney.temple@icloud.com](mailto:courtney.temple@icloud.com)

### SOCIAL MEDIA LIAISON

Nicole Porter

[nporter@alaskanational.com](mailto:nporter@alaskanational.com)

FAIR USE NOTICE: This publication contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. News and informational articles posted here are for the non-profit purposes of education and news reporting. We believe this constitutes a 'fair use' of any such copyrighted material as provided for in 17 U.S.C § 107.

 sedgwick | temporary housing

Helping displaced policyholders  
and CAT responders find  
temporary housing nationwide.

[TACARES.COM](http://TACARES.COM)

800.548.5196



**ESI**

[www.engsys.com](http://www.engsys.com)

206.622.2007

**Engineering Consulting and  
Forensic Investigation**

- ◆ **Multidisciplinary Approach**
- ◆ **Industry Expertise**
- ◆ **Powerful Insights**



700 South Industrial Way, Seattle, WA 98108



# IFCA UPDATE


(continued from page 3)

First, in *Beasley v. GEICO General Insurance Company*, 23 Wn. App. 2d 641, 517 P.3d 500 (2022), the Washington Court of Appeals looked at an IFCA claim and provided a jury instruction which excluded noneconomic damages. The court held that simply tripling bad faith damages in their entirety is not the legislature’s intent. Accordingly, treble damages should only include actual damages. Essentially, the court reasoned that any noneconomic damages would be included in bad faith already, and would not apply in an IFCA claim. Further, the court found that IFCA noneconomic damages could be less than bad faith damages because bad faith is a broader category.

In *West Beach Condominium v. Commonwealth Insurance Company of America*, 11 Wn. App. 2d 791, 455 P.3d 1193 (2020), the Washington Court of Appeals ruled that recoverable amounts under IFCA can include benefits which were unreasonably denied. Citing *Cumming v. United Services Automobile Association*, 2020 Wn. App. LEXIS 3227 (2020) (unpublished), the court held an insurer must actually investigate a claim instead of relying on an insured’s word to deny coverage.

Adjusters should be careful about the basis of coverage denials. In *Webb v. USAA*, 12 Wn. App. 2d 457, P.3d 1258 (2020), the Washington Court of Appeals determined that the insurer had unreasonably denied benefits when it based its denial on an ignorance of controlling law. Further, the court ruled that the denial of an ambiguous complaint, by arguing that there was no claim for damages, was an unreasonable denial of benefits. Additionally, the insurer unreasonably denied benefits by relying on the incorrect definition for “accident,” and using it to deny a claim based on the “expected or intended injury” exclusion. Finally, the court noted that the denial was unreasonable because the plaintiff did not allege criminal actions.

(continued on page 7)



**McBride Construction Resources Incorporated**  
MCBRICR099JZ

**24-Hour Emergency Service**  
Fire • Wind • Water  
206-283-7121  
1-800-676-5053

*Insurance repairs and all phases of commercial and residential construction*

15100 8th Ave SW • Burien, WA 98166  
[www.mcbrideconstruction.com](http://www.mcbrideconstruction.com)



**253-952-4001**  
[washington@FRSTeam.com](mailto:washington@FRSTeam.com)  
866-374-FRST

**FRSTeam**  
Fabric Restoration Service Team

## WHAT CAN WE RESTORE?

 CLOTHING Dry cleaning & laundry	 DRAPERIES & BLINDS (take down & re-hang)	 ELECTRONICS & SMALL APPLIANCES	 PURSES & LUGGAGE	 LEATHER, SUEDE, & FURS
 AREA RUGS	 WEDDING GOWNS	 STUFFED ANIMALS	 PORCELAIN DOLLS	 SHOES & MORE



**YOUNG ASSOCIATES**  
Blake Kapisak  
Managing Partner  
860.983.2593  
[YOUNGONLINE.COM](http://YOUNGONLINE.COM)

**ENGINEERING SERVICES**  
Michelle Couture  
Regional Manager and Senior Managing Architect  
206.650.2429  
[YAESERVICES.COM](http://YAESERVICES.COM)



**FLOODED???** **WATER DAMAGE???**

**CALL US FIRST!!!**

**WASHINGTON**  
Water Damage & Cleaning Services

**24 HR EMERGENCY RESPONSE!!**

**"Your Water Damage Experts!!!"**

Broken Water Pipes • Sewer & Septic Tank Back-ups • Water Heater Breaks  
Washing Machine Leaks • Sprinkler System Floods • Mold Remediation  
Complete Structural Drying • Hardwood Floor Drying  
Carpet Cleaning • Thermal Imaging Inspection

Protecting Your Home, Family & Investment

**We work with you & your insurance company!**

Locally Owned & Operated

**KENT** | **SEATTLE** | **BELLEVUE** | **TOLL FREE**  
253.395.3333 | 206.621.7774 | 425.462.7774 | 866.618.7774

LICENSED • BONDED • INSURED

www.WaterDamageFIX.com

**GEORGE CAZARES**  
Operations Manager / Owner

710 Thomas Ave SW  
Renton, WA 98057

800.545.3071 Office  
206.686.7006 Direct  
253.656.5730 Fax  
george@firewaterwa.com

**FireWater**  
RESTORATION SERVICES

**"Your Cleaning & Restoration Solution"**

WWW.FIREWATERWA.COM



**CLAIMS DISPUTE RESOLUTION**

**Roger Howson**

Mobile: 206.979.0659 | Email: rhowson@claimsdispute.com

Direct: 206.489.5241 | 1455 NW Leary Way, Suite 400 | Seattle, WA 98107

WA: #65692 | OR: #579366

**efi global**

Engineering services  
Fire investigation services  
Environmental, health and safety services  
Risk management and loss control services

**Seattle Service Center - 253.588.2730**  
24 hour response - 888.888.2467  
www.efiglobal.com

**ServiceMASTER Restore**

**ServiceMaster of Seattle**

Serving King, Snohomish, Island  
Yakima and Kittitas Counties

**1.800.767.2332**

**FIRE**  
**WATER**  
**PACKOUT**

**ADVERTISE WITH US!**



**For rates and sizes contact us at info@pugetsoundadjusters.org**

**ClaimSimple**

Office: 206.489.5242 | Email: info@claimsimple.net

1455 NW Leary Way, Suite 400 | Seattle, WA 98107

**ADVANCED WATER RESTORATION**

**206-450-0990**

**24/7 Emergency Services**

Water & Sewer Restoration  
Mold cleanup & Remediation

Clean@AdvancedWaterRestoration.com

ICRC CERTIFIED FIRM

MARK YOUR  
CALENDARS!!!

- **November 17th at 11:30 am** - Lunch & Learn @ The Renaissance Seattle Hotel. The topic is "Rules of the Road for Insurance Claims Adjusting" and will include a discussion/update on the Insurance Fair Conduct Act, Good Faith, and the Washington Co. Speaker: Paul M Rosner, J.D., CPCU Soha & Lang, P.S.

**\*\* All Lunch & Learn meetings are and will be CE accredited for WA and sometimes OR.**

- **Dec. 1st at 4 pm (flyer page 15-16)** - Holiday Casino Royale - The Canal - 5300 34th Ave NW, Seattle, WA 98107

**All above & 2024 events posted on PSAA website!**

LOVIK JUHL

Your Subrogation Partners  
Nicholas W. Juhl  
juhl@lovikjuhl.com  
(206) 706-2831



**ENVISTA**  
FORENSICS

**Local Industry Leaders**  
**YOU CAN TRUST**

Structural • Electrical • Mechanical • Fire Origin & Cause • Building Consulting

Annette Sullivan  
Business Development Manager  
Annette.Sullivan@envistaforensics.com  
+1 951 554 0584

© 2022 Envista Forensics envistaforensics.com | +1 888 782 3473



**IFCA**  
**UPDATE**

*(continued from page 5)*

In *Traulsen v. Continental Divide Insurance Company*, 2023 Wn. App LEXIS 688 (2023) (unpublished), the Washington Court of Appeals looked at a failure to pay \$1 million in policy benefits after a \$3 million arbitration award. The court determined that the arbitration award established the amount that the insureds were liable for and the duty to indemnify was triggered. The insurer conditioned its payment of its limits to plaintiffs in the underlying suit after an arbitration award on a dismissal of claims. The insurer refused to pay out its limits for two years while the remainder of the award was negotiated. When the plaintiffs in the underlying complaint ultimately settled above limits, the court held that there was harm and, therefore, an IFCA award was necessary. Specifically, the court held that the insured had to settle at an amount that is likely higher than was necessary because they risked action against their assets.

Other cases discussed procedure to follow when a payment is at issue. In *Young v. Safeco*, 2022 U.S. Dist. LEXIS 159412 (W.D. Wash. 2022), the Western District of Washington determined that if a full demand is paid, even if there is an initial disagreement on the damage amount which causes a delay, there is no unreasonable delay. Similarly, in *Lockett v. State Farm*, 2020 U.S. Dist. LEXIS 44181 (W. D. Wash. 2020), decision by the Western District of Washington held that a plaintiff's acceptance of a tortfeasor's offer under the jury award as full payment meant that the insurer was not required to provide additional fees, clearing any concerns of an IFCA claim. However, the Eastern District of Washington held that an unreasonable delay occurred in *American Alternative Insurance Corporation v. Walla Walla School District No. 140*, 2023 U.S. Dist. LEXIS 29639 (E.D. Wash. 2023), where the insurer delayed coverage until after the settlement of the claim, allowing the insurer to control the appointment of defense counsel, strategy, and ultimate settlement, the court ruled that this could be considered sufficient for an IFCA claim if proven at trial.



## IFCA UPDATE

(continued from previous page)

In *Jay Shin v. Allstate*, 2023 U.S. Dist. LEXIS 103789 (W.D. Wash. 2023), the insured sent an initial demand of \$175,000. PIP was paid at \$10,000. Upon receipt of additional information from the insured regarding physical and medical damages, the adjuster increased the valuation near the level of the demand. However, after investigation, it was determined that many of the medical conditions were pre-existing and should be valued much lower. Because there was no evidence that the high valuation would be accurate, the Western District of Washington held that this was not a lowball offer in violation of IFCA. The Western District of Washington in *Hopkins v. Integon*, 2021 U.S. Dist. LEXIS 28650 (W.D. Wash. 2021), held that a jury award 18 times higher than that of the insurer's settlement offer is not evidence of an IFCA claim, as the jury could have found the offer unfounded, but not necessarily unreasonable. In a further decision regarding settlement offers, the same court in *Aspin v. Allstate*, 2020 U.S. Dist. LEXIS 98467 (W.D. Wash. 2020), held that an insurer increasing its settlement offer over the course of negotiations was not evidence of an IFCA claim, as it is simply an attempt to settle the claim.

Other, more minor cases provide further clarity on issues. The Court of Appeals in *Cantrell v. United Services Automobile Association*, 2019 Wn. App LEXIS 1293 (2019) (unpublished) held that the IFCA statute of limitations would be tolled while the potential claimant was on active military duty, but was no longer tolled while the claimant was on reserve duty, and would not be restarted because the insurance claim was reopened years later.

The court decisions have provided a lot of information for adjuster to consider when adjusting claims. The bottom line is that IFCA provides an additional weapon for policyholder attorneys to use against insurers, making the job of insurance claims handlers even more challenging.

Disclaimer: the opinions expressed in this article are those of the author and do not necessarily reflect those of Soha & Lang, P.S. or its clients.



**Interested in sponsoring a meeting for PSAA, but wondering what that entails?**

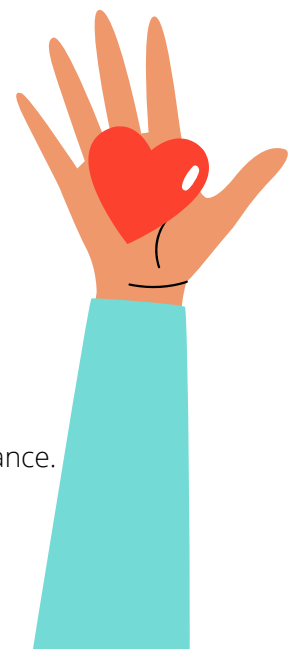
**To become our next meeting or dessert sponsor, contact Lizzy Adkins at [lizzy.adkins@us.crawco.com](mailto:lizzy.adkins@us.crawco.com).**

### **What is a MEETING SPONSOR?**

1. Logo featured on PSAA's website and newsletter as a meeting sponsor.
2. One complimentary registration for the meeting.
3. An opportunity to speak to the attendees about your company.
4. Pass out marketing materials or raffles for attendees or adjusters only.
5. Obtain a complete list of the attendee list to include email addresses.
6. Cost is \$500.

### **What is a DESSERT SPONSOR?**

1. Logo featured on PSAA's website and newsletter as a meeting sponsor.
2. One complimentary registration for the meeting.
3. An opportunity to speak to attendees about your company.
4. You may either choose to bring store bought desserts OR work with the Renaissance.
5. Pass out marketing materials or raffles for attendees or adjuster only.
6. Obtain a complete list of the attendee list to include email addresses.





HELLO!  
ALOHA  
BONJOUR  
HOLA

# CLAIMS CONVERSATIONS



with Roger Howson

Claims Dispute Resolution  
PSAA & OCAA Newsletter Editor  
and Education Chair

Who are you?

I am talking to YOU-

- the you who is reading this PSAA/OCAA newsletter,
- the you who shows up to monthly PSAA and/or OCAA meetings,
- the you who DOESN'T show up to meetings but makes a point of getting yourself to the PSAA and/or OCAA special events such as golf and/or bowling tournaments, holiday parties, and/or the annual educational claims symposiums,
- the you who WANTS to be involved with PSAA and/or OCAA but doesn't have the time or doesn't know how, or both,
- the you who organizes (and implements) all these PSAA and/or OCAA events,
- and the you who read all the way to the end of this convoluted list.

I repeat- Who ARE you? Who are YOU?

(continued on page 13)

**ARMATA**  
CONSTRUCTION  
SERVICES

RYAN MILETICH /// OWNER  
P 206.853.8547 / F 206.466.5962  
RYAN@ARMATACONSTRUCTION.COM  
ARMATACONSTRUCTION.COM  
LICENSE # ARMATCS845KU

**SUPERIOR**  
CLEANING & RESTORATION  
A COIT Services Company  
1-800-209-6139 [www.superiorclean.com](http://www.superiorclean.com)  
**24 Hour Emergency Service**  
Asbestos, Fire, Mold, Smoke, Water, Wind

**SIR CONSTRUCTION**  
GENERAL CONTRACTOR ...exceeding expectations

## Insurance Restoration Specialists

- Insurance Claim Restoration
- Interior Renovations
- Siding, Decks, Roofing, Windows
- Rot Repairs & Maintenance

P: 425-315-0748 • [info@sirconstruction.com](mailto:info@sirconstruction.com)  
[sirconstruction.com](http://sirconstruction.com) • SIRCO\*\*0660T

**Steve Meador**  
Vice President  
(253) 370-9062  
[steve@nwbuildergroup.com](mailto:steve@nwbuildergroup.com)

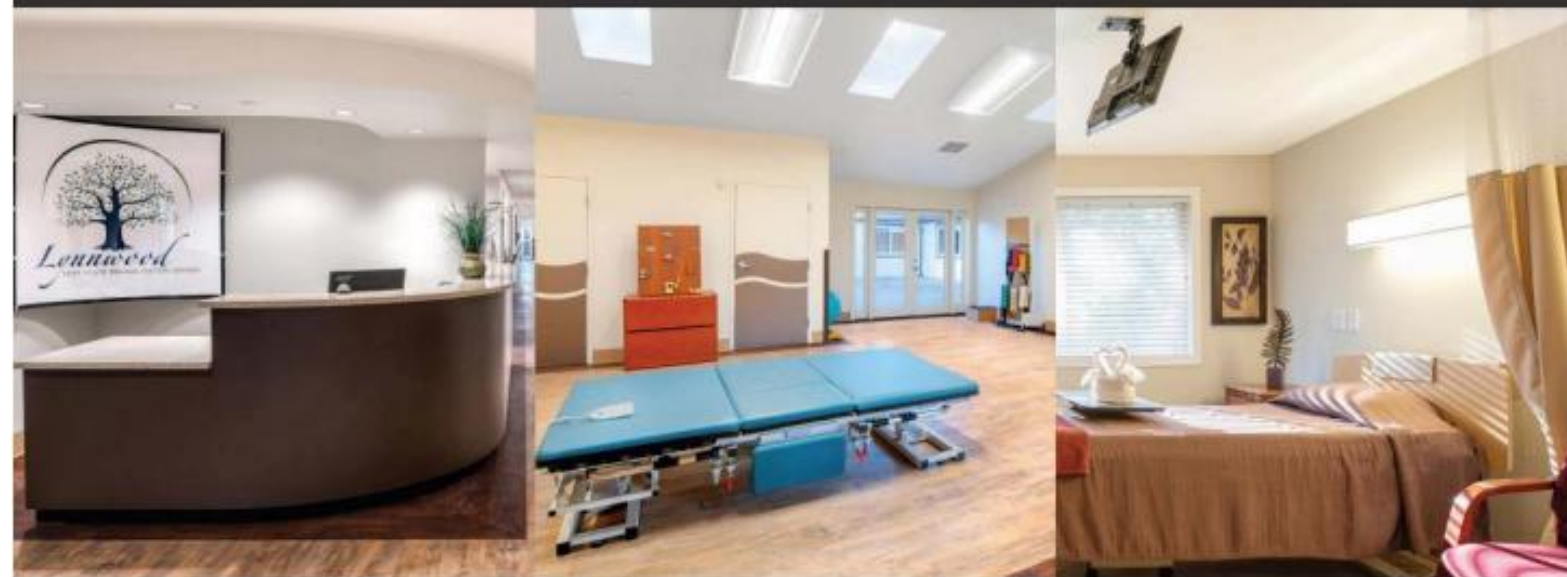
**NW Builder Group**  
8228 S 206th St  
Kent, WA 98032  
[nwbuildergroup.com](http://nwbuildergroup.com)  
NWBUIG838NP



**CHARTER**  
CONSTRUCTION

# WE'RE READY 24/7.

We manage large complex projects in occupied structures better than anyone else in the business. We do that because we have a proactive sense of urgency, active accountability and a level of execution second to none.



**EMERALD HILLS SKILLED NURSING FACILITY, LYNNWOOD, WA**  
**WINNER OF THE 2019 RIA PHOENIX AWARD FOR INNOVATION IN RECONSTRUCTION**

## **DISASTER SOLUTIONS AND RECONSTRUCTION TEAM** **HEALTHCARE AND SENIOR LIVING SPECIALISTS**

Emergency Board-Ups/ Tarping | Complete Reconstruction | Selective Demolition  
Water/ Wind/ Fire /Smoke Damage Repair | Consulting | Commercial Large Loss  
Storm Damage Response/ Repair | Litigation Support

# 206-382-1900

**COMMERCIAL • RESIDENTIAL • MULTIFAMILY**  
COVERING WASHINGTON AND OREGON: 24/7, 365 DAYS A YEAR

**RECIPIENT OF THE RESTORATION INDUSTRY ASSOCIATION (RIA)**  
**PHOENIX AWARD IN 2015, 2017 AND 2019**

[WWW.CHARTERCON.COM](http://WWW.CHARTERCON.COM)





ABATEMENT & DEMOLITION CORP.

ASBESTOS • DEMOLITION • LEAD • MOLD

**Melissa Culver**

Business Development  
2701 S J St, Tacoma, WA 98409

Phone: 253-732-1267 Fax: 253-276-2175 melissa@rsgabate.com



**BIANCA MOLLO**

EXECUTIVE BUSINESS DEVELOPMENT MANAGER

**ATI RESTORATION, LLC**

835 S. 192ND STREET, STE 500 | SEATAC, WA 98148

TF: 800-400-9353 | O: 206-939-4888 | C: 206-620-4281

E: bianca.mollo@atirestoration.com

**DRY CLEANING & LAUNDRY SPECIALISTS**  
FIRE - SMOKE - WATER - MOLD

24/7/365 Availability  
Emergency / Rush Service  
Pick up / Delivery  
Bulk Laundry  
Dry Cleaning  
Leather Items

Area Rugs & Draperies  
Gowns - Bridal  
Hats  
Shoes  
Storage  
Xactimate Billing



206-348-7718  
WWW.DLSRESTORE.COM



**Fire Cause Analysis**

**Jimmy Bowen, IAAI-CFI, CFEI, CVFI, PI**  
Certified Fire Investigator

jimmy.bowen@fcfire.com

T (800) 726-5939

C (360) 874-4455

F (510) 649-3099

PO Box 354  
Chattaroy, WA 99003-0354

WWW.FCFIRE.COM

SERVING CLIENTS NATIONWIDE

FIRE INVESTIGATION • FORENSICS • FIRE SCIENCE & ENGINEERING

*"Together We Can Achieve the Extraordinary!"*

**NORDIC**

**SERVICES INC.**

RESTORATION CONTRACTORS

**24/7 EMERGENCY RESPONSE**

**206-522-9570**

**Seattle and Western Washington**

**360-792-2565**

**Bremerton and the Kitsap Penninsula**

www.nordicservices.com

*Fast, Fair, and Accurate Service*

- Expert Insurance Damage Restoration Services
- Construction Defects • Remodeling

*Serving the Insurance Industry Since 1982*



**MACHAON**  
**Medical Evaluations, Inc.**

Independent Medical Evaluation Services serving:

**Washington**

Seattle and Tacoma offices

Plus multiple locations at our Consultant's offices

**Independent Medical Examinations**  
**Chart Reviews**

To schedule, call **MACHAON** at **206-323-1999**

Online scheduling available at  
**MACHAON.org**







## EXPERIENCE, SERVICE, EXPERTISE AND CREDIBILITY...

That's what our experts bring to every case they work on, every time, every day. It's what sets us apart, and the reason we've earned a national reputation for providing outstanding forensic, scientific and engineering solutions to our clients for over 30 years.



Our experts use a variety of scientific and cutting-edge industry tools, practices, and software during their investigations and research to identify and analyze all of the facts in a process, case, or claim. Then they relay their findings to our clients via a comprehensive, easy to understand report and can provide expert testimony in court.



When you need help, ask an Expert. Ask ARCCA.



FORENSIC ENGINEERING & EXPERT WITNESS CONSULTING  
SPORTS BIOMECHANICS & HUMAN PERFORMANCE  
RESEARCH, DEVELOPMENT, TESTING & EVALUATION

800-700-4944 | ARCCA.com

BIOMECHANICS | ACCIDENT RECONSTRUCTION | HUMAN FACTORS |  
TRANSPORTATION | PREMISES LIABILITY | FAILURE ANALYSIS | FIRE &  
EXPLOSION | PROPERTY



## WHAT HAPPENED?

Fire Origin and Cause  
Property Damage Assessment  
Water Intrusion Analysis  
Vehicle Accident Reconstruction  
Mechanical Evaluation  
Construction Defect Analysis

Electrical Failure Analysis  
Foundation Failure Evaluation  
Product Liability Evaluation  
Premises Liability Assessment  
Building Code Compliance  
HVAC Evaluation

rimkus.com

SEATTLE 877-677-6157



# BELFOR (●)

24/7 Response 800-856-3333

## PROPERTY RESTORATION

- ✓ Proven track record of superior response and unmatched resources has made **BELFOR** the contractor of choice for damages caused by fire, water, wind or other catastrophes
- ✓ Restoring more than property ~ We restore pride and hope in communities

4320 South 131st Place, Suite 100, Seattle, WA 98168

Xactimate Certified

Dedicated Project Managers

# RW

## Anderson Services

Helping People & Property Recover

[rwandersonservices.com](http://rwandersonservices.com) (206) 669-6378

- ✓ Wind
- ✓ Fire
- ✓ Water
- ✓ Building Defects
- ✓ Catastrophes
- ✓ Large Loss

Your Insurance Experts in the Greater Seattle Area

## JENSEN HUGHES

*Forensic Engineers, Scientists + Investigators*  
SUPPORTING YOUR CLAIMS INVESTIGATIONS

+1 425 775 5550

[forensics@jensenhughes.com](mailto:forensics@jensenhughes.com)

[jensenhughes.com](http://jensenhughes.com)

© 2021 Jensen Hughes Inc. All Rights Reserved.

## MKA International, Inc.

### Construction Consultants & Engineers

100% Employee Owned Company

Our multidisciplinary team of Forensic Architects, Engineers, Estimators and Construction Consultants provide investigative and expert analysis.

#### FORENSIC CONSULTING & LITIGATION SUPPORT:

- Property Loss and Builder's Risk Claims
- Design and Construction Defect Claims
- Subrogation Claims

SEATTLE OFFICE  
206.267.2927

Servicing the Greater Northwest and Alaska

800.822.6624 :: [WWW.MKAINC.COM](http://WWW.MKAINC.COM)



HELLO  
ALOHA  
BONJOUR  
HOLA

# CLAIMS CONVERSATIONS

(continued from page 9)

As a claims professional, here is another question you might never have been asked- in what industry are you working?

Most of us would immediately and reflexively respond that, of course, we are INSURANCE claims professionals. The words “insurance” and “adjuster” are as natural together as “pumpkin” and “spice” (in case it escaped your notice that we are now several weeks into fall).

Read the following Wall Street Journal article to rethink your assumption that your career will play out within the insurance industry.

By Telis Demos  
Sept. 29, 2023

How much would you need to be paid to cover the risk of the next massive hurricane or earthquake? Investors in the insurance market have a new answer: Way more than they were before.

That is the message coming from a key part of that market, catastrophe bonds. “Cat bonds” emerged roughly a quarter century ago as insurance companies scrambled for ways to manage their most extreme risks after Hurricane Andrew’s shocking losses put several out of business.

(continued on next page)

**24/7 EMERGENCY RESPONSE**  
Full Service Property Restoration  
Insurance Restoration | Construction  
**888.810.6445**

FIRE ♦ SMOKE ♦ WATER ♦ STORM ♦ VANDALISM

Contents • Structural Cleaning  
Assured PackOut Software™  
Storage Inventory • Microbial Remediation  
Lead • Asbestos Abatement  
Tree Removal • Board-up • Remodel

**MAXCARE**  
OF WASHINGTON INC

Contractor Connection 2011 Top Performer & 2012-2013 Performance Excellence

**ale | SOLUTIONS**

Nationwide Temporary Housing Provider for  
Displaced Policyholders & Catastrophe Teams

**alesolutions.com | (866) 885-9785**

**KUSTOM**  
Disaster Recovery & Restoration Since 1968

Commercial & Residential  
24/7 Emergency Service  
253.518.6030

**Have a property emergency?**  
We're here for you — anytime, anywhere,  
no matter the disaster.

**Call us today! 253.518.6030**

Since 1968, we have brought order to chaos after disaster strikes. From the largest natural disasters to the smallest property disruptions, we're with you until your house feels like home again.

Any disruption to a homeowner's property is also a disruption of day-to-day life. We know how difficult and disruptive this can be, and we meet that with sensitivity and respect. Kustom steps in to listen and to lead you through the full restoration and insurance claims process so you always have expert guidance to lean on.

**OUR SERVICES**

Disaster Preparation Planning	Emergency Response 24/7/365	Water Damage Restoration	Fire Damage Restoration	Storm Damage Restoration
Mold Remediation	Environmental Abatement	Reconstruction	Structural Cleaning	Preventative Decontamination

**RESTORING PROPERTY, PROSPERITY, AND PEACE OF MIND**

**ProNet Group, Inc.**  
Forensic Engineering  
Structural • Mechanical  
Automotive • Cyber

**Amie Savona**  
Regional Director of Business Development  
602-525-6443  
6100 219th Street SW • Suite 480 • Mountlake Terrace, Washington  
**asavona@pronetgroup.com**



# CLAIMS CONVERSATIONS

(continued from previous page)

They found a taker of the risk of major earthquakes or hurricanes on Wall Street: In exchange for a high annual yield, hedge funds, pensions and wealthy individuals were willing to put up cash that they might lose in the event of a specified weather event or insurance loss.

Some bonds have had losses over the years. In an example described by a Federal Reserve Bank of Chicago research paper, a private home-and-auto insurer sold a \$100 million bond back in 2010 that was designed to compensate the insurer for industry-wide losses from thunderstorms and tornadoes across the U.S. beyond \$825 million. When it was determined that industry losses were \$954.6 million in 2011, investors had to give up the cash. The decision was litigated for several years.

Overall, though, this arrangement has worked out for investors over time. Even in 2017, when a trio of major hurricanes hit the U.S., the Swiss Re Global Cat Bond Total Return Index still was positive that year.

But then last year, cat bonds produced a negative 2.16% return, according to Swiss Re. It was the first annual loss in the index's history.

What happened? It wasn't just about interest rates, since the cash put up by investors earns a floating market yield that rises with rates. And it wasn't even just about loss events, as potential payouts triggered by Hurricane Ian are turning out to be smaller than initially feared.



Florida residents in the aftermath of Hurricane Andrew in 1992. Catastrophe bonds emerged after Andrew as insurance companies scrambled for ways to manage their most extreme risks. PHOTO: SUN-SENTINEL/ZUMA PRESS

Instead, cat bonds' prices were caught up in the insurance industry's broader turmoil. Several recent years of \$100 billion-plus industry losses have spurred a radical rethinking of the price of risk.

Hurricane Ian last year, with insurance losses expected at around \$50 billion—second only to 2005's Katrina, adjusted for inflation, according to the Insurance Information Institute—might have been the final wake-up call.

Now, cat bond investors are demanding much higher payouts relative to the risks they are taking on.

(continued on page 18)



**Restoration Services**

- 24 Hour Emergency Services
- Water Damage Mitigation
- Fire & Smoke Damage
- Mold Remediation
- Trauma Clean-up
- Packout/Content Cleaning

**ServiceMaster of Tacoma**

5111 South Burlington Way  
Tacoma, WA 98409  
Toll Free 800-339-5720  
Fax 253-627-2709  
www.smtacoma.com  
Lic# SERVIT\*885CA



**LOCKTON**

*Uncommonly Independent.*

600 University St #1900, Seattle, WA 98101 • 206.219.3500





**Puget Sound Adjusters Association Presents**

# **Casino Royale**


## **A Roaring 20's Holiday Party**

Join us for a magical night as we slip back to the 1920's...Gatsby style! Prohibition sparked a women's fashion revolution with flapper dresses that rose from the ankles and short hair under cloche hats! And what about him?? A matching suit vest and pants for a great Gatsby look was a must!  
Be a part of it all! Sponsorships are available now but remember...your Vendor Partner Dues must be current!

**Friday, Dec. 1st, 2023, from 4 to 7 pm**  
**The Canal**  
**5300 34th Ave NW, Seattle, WA 98107**

\$50 - Current Claims Professionals Members  
\$100 - Vendor Partners and Guests  
\$125 - Non Members

**Sponsorships**  
**Available**







# Casino Royale

## Sponsorship Opportunities

**ALL Casino Tables are \$1500 and includes two complimentary registrations.**

- Blackjack Table, 3 available
- Craps Table
- ~~3 Card Poker Table~~ - **SOLD**
- ~~Roulette~~ - **SOLD**

**All Sponsorships listed below includes one complimentary registration.**

- ~~1. Holiday Gift Bags/Treats - sponsor must provide for all attendees (approx. 120).~~ - **SOLD**
- ~~2. Photo Booth - \$750. Photo vendor will customize printed photos with your company's logo/name.~~ **SOLD**
3. The Spread - \$500. Buffet of heavy appetizers.
4. The Treats - \$300. Buffet of desserts.
5. The Bar - sponsor to create "special cocktail" and provide drink tickets to attendees.
- ~~6. Grand Raffle Prize Sponsor(s) - \$500. PSAA will do the shopping for you.~~ **SOLD**

**Adjuster Gift Card Raffle Sponsor** - does not include registration. Sponsor must provide gift cards in increments of \$25 to be raffled off to adjusters that are present.



# PACIFIC

ENGINEERING TECHNOLOGIES, INC.

**Damage Assessments & Forensic Engineering  
Re-Design for Damaged Buildings  
Code Studies**

Fire ~ Collapse ~ Water Intrusion ~ Decay  
Earthquake ~ Wind ~ Foundation Settlement

**Specialized Consulting Services  
Since 1960**

*Nathan Fritz, AIA ~ Michael Smith, PE, SE  
Kyle Bozick, PE, SE ~ Jeffrey Bozick, PE  
Ryan Barrett, PE ~ James Paustian, PE, SE*

**PACIFIC Engineering Technologies, Inc.  
2150 North 107th Street, Suite 320  
Seattle, Washington 98133  
206.281.7500 ~ 800.621.7300**

**[www.pacengtech.com](http://www.pacengtech.com) ~ [info@pacengtech.com](mailto:info@pacengtech.com)**



# CLAIMS CONVERSATIONS

(continued from page 14)

That pushed down the value of older bonds, which contributed to last year's price decline. But the upshot is that investors are now getting paid more than they have in 20 years to take on extreme catastrophe risk.

A key way to measure the price of this risk is the multiple of the yield investors earn to the loss rate projected by catastrophe models. In 2023, the average coupon paid on cat bonds has been over five times the average expected loss, according to Artemis, a catastrophe-bond and insurance-linked-security news and data provider.

That is a big step up. Back in 2017, cat bonds' coupons on average were less than two times the expected loss rate.

The ratio in 2023 is so far the highest it has been since 2002, when the market was far smaller and newer, and issuers were trying to entice investors to the esoteric products.

Usually in markets, investors' higher demands for return result in fewer willing sellers. But insurance is a different beast: Cat bond sales in 2023 are on pace to surpass the prior record of \$12.5 billion, according to AM Best, a credit agency specializing in insurance.

Companies can delay going public until the price is right, but insurers and some companies can't go without coverage for major catastrophes. Traditional reinsurers are also right now charging a lot more to cover more common losses and providing less overall coverage, sometimes leaving cat bonds as the only alternative.

Buyers are reaping the benefits. The total return on the Swiss Re index in the first half of 2023 was a record-breaking 10.3%. "Investors are basically getting more money, on a risk-adjusted basis. They're doing better than they ever were," says Emmanuel Modu, managing director and head of insurance-linked securities at AM Best.

Of course, one should always be skeptical of the proverbial free lunch: Is it really more return for less risk? One major question is whether the market is actually right in what it expects for future losses.

(continued on next page)



A home burns after a wildfire jumped a California highway in 2021. The costs of disasters such as wildfires and thunderstorms are on the rise. PHOTO: ETHAN SWOPE/ASSOCIATED PRESS



# CLAIMS CONVERSATIONS

*(continued from previous page)*

Cat bonds on average in 2023 have carried an expected 1.7% loss rate, according to Artemis. That is more remote than what investors were covering a few years ago, when bonds in 2019 had an expected loss rate of 3.5%.

Still, what were thought to be incredibly rare occurrences or sky-high loss levels might be less so now, particularly if climate change is altering the underlying frequency or severity of some catastrophes. Already, industry losses can reach high levels even without major earthquakes or hurricanes, due both to general inflation in claims and how costly other disasters have become. Major thunderstorms in the U.S., known as severe convective storms, have generated more than \$50 billion in insured losses for the first time ever in 2023, according to Gallagher Re.

So the current extremely high ratio of yields to losses might be illusory. However, the relatively short lifespan of cat bonds, typically a couple of years, also means that pricing and terms on new bonds have time to catch up to longer-term shifts as they become more pronounced.

Another risk is that cat bonds' recent performance will bring in a flood of not-so-sophisticated money, depressing pricing. Yet due to those rising-loss pressures, the demand for coverage might just keep up with the supply of capital. Urs Ramseier, chief investment officer of Twelve Capital, which specializes in insurance investments, expects the cat-bond market to double from its roughly \$40 billion size today over the next five years.

One big driver of future cat-bond issuance could be state or federal insurers of last resort. These pools sometimes rely on cat bonds to help backstop coverage in markets that don't have private options—increasingly the case for homeowners in places like Florida and California. Some day, people might start to move away from places exposed to catastrophes, reducing the need for extreme-risk coverage. But so long as Americans are willing to keep betting on Mother Nature, Wall Street will be there to take the other side.

As our name indicates, PSAA and OCAA are adjuster associations, but we are not entirely sure who, what, how, where, and why to define our membership because the term “adjuster” is a 20th century concept that no longer means what it used to, The claims profession has evolved, expanded, contracted, splintered, and transformed into an all-encompassing collection of diverse skillsets, competencies, and responsibilities. As the Wall Street Journal article above indicates, PSAA and OCAA may also be associated with industries outside of insurance- banks, hedge funds, artificial intelligence, retail, maritime, who knows...

**Who are you? What do you want from PSAA and OCAA?**



# PSAA Membership Application for 2023-2024



## PSAA Mission Statement

*Puget Sound Adjusters Association is a professional organization dedicated to the ongoing education of the claims community — providing an arena for member interaction and the sharing of knowledge and resources.*

- Share timely & professional information
- Camaraderie with colleagues & service providers
- Keep current regarding professional products & services
- Learn skills that enhance daily service operations & delivery

## ANNUAL MEMBERSHIP APPLICATION

ANNUAL MEMBERSHIP DUES FOR THE YEAR STARTING SEPTEMBER 1, 2023 TO AUGUST 31, 2024

**DUES ARE \$75 FOR THE YEAR.\***

Submit this application and pay with check or pay online with credit card.

Mail to: PSAA, 2409 78th Ave W, Tacoma, WA 98466 or scan and email to [lizzy.adkins@us.crawco.com](mailto:lizzy.adkins@us.crawco.com)

Please print or type information

Application is: (Check one)    Renewal \_\_\_\_\_    New \_\_\_\_\_    Change \_\_\_\_\_    Referred by \_\_\_\_\_

- Applicant is:
- ACTIVE Member \$75**  
**Carrier Claims Personnel** (claims adjusters, managers, supervisors, underwriters, subrogation, etc.), Risk Managers, Self-Insured & Insurance Pool personnel, Independent Adjusters, TPAs, Agents, Brokers
  - Associate Member \$100**  
 Attorney
  - Vendor Partner** Advertise in Newsletter Contractor, IME, Car Rental, Restoration, Engineering, etc. [See ad rate form for fees](#)
  - Corporate Members (6 or more employees from one office) \$300 (per office)**  
 To qualify for this rate, persons must be eligible for ACTIVE membership and there must be at least 6 applicants located within the same office.
  - Honorary Member NO DUES** — PSAA, SCAA and TCAA Past Presidents

Paid by:     Check     Credit Card    Amount Enclosed: \$ \_\_\_\_\_

Applicant Name \_\_\_\_\_ Job Title \_\_\_\_\_  
*(For Corporate Members, please list names and email addresses below)*

Company \_\_\_\_\_ Discipline:  Property  Casualty  Auto  Work Comp  Other

Company Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Home Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Work Phone \_\_\_\_\_ Cell Phone \_\_\_\_\_

Email Address \_\_\_\_\_

*The PSAA Monthly Newsletter and other association correspondence will be sent via email.*

**\*Claims Personnel who pay dues receive free attendance at ALL PSAA functions and events, including monthly meetings, parties and the annual symposium.**

### Corporate Members:

Name:	Email:
Name:	Email:
Name:	Email:
Name:	Email:
Name:	Email:
Name:	Email: