

# What Every Floridian Should Know

## Help Fight Back Against Insurance Fraud

To Report Suspected Insurance Fraud Contact:

The Florida Division of Investigative and Forensic Services, Bureau of Insurance  
Fraud Hotline

1-800-378-0445

or visit

<https://apps8.fldfs.com/first/>

to make your report online

National Insurance Crime Bureau – NICB  
Hotline 800-835-6422

Cell phone users can text the word  
“FRAUD” along with their tip to

TIP411 (847411)

or visit

[www.nicb.org](http://www.nicb.org)

## Always check on licenses

The Department of Business and Professional Regulation licenses contractors in Florida. Visit [http://www.fldfs.com/data/aar\\_alis1/](http://www.fldfs.com/data/aar_alis1/) to make sure your contractor is licensed.

The Department of Financial Services licenses and regulates adjusters. Always check at [www.myfloridacfo.com](http://www.myfloridacfo.com) to make sure anyone who is adjusting your claim is licensed, trained and legally permitted to do so.

## Florida Property and Casualty Insurance Fraud Task Force



[www.stompoutfraud.org](http://www.stompoutfraud.org)

[fightinginsurancefraud@gmail.com](mailto:fightinginsurancefraud@gmail.com)

## HOW TO AVOID A DISASTER AFTER THE DISASTER

### A POLICYHOLDER GUIDE

Floridians Can Help Stomp Out Fraud

What every policyholder needs to know about unlicensed activity and the assignment of benefits after a loss to homes and businesses

**Report Insurance Fraud**

# AVOID A DISASTER AFTER A DISASTER

## What is an Assignment of Benefits?

An assignment of benefits, also known as an “AOB”, is an agreement that a repair service provider may ask you, the insurance policyholder, to sign after you have suffered a property loss, such as damage from a water pipe break. This agreement often transfers your insurance policy benefits and rights to that person or company, who might be a plumber, roofer, general contractor or water remediation company.

### How it works...

A repair service provider may require you to sign the “AOB” agreement in order for them to get paid for their work, and so that you will bear no cost and you will not have to be involved in the claim process.

### What’s the catch?

The consequences of signing an AOB can be harmful to you the insured. This signed form can transfer not only the policyholder’s benefits but all other rights under the policy to the repair service provider, leaving you out of the claim process and without right to file suit in the event of a dispute.

You may not obtain the necessary repairs to your property. Liens could be placed on your property for unpaid repair bills. Signing the AOB prohibits you from having a voice during the claim process leaving the insurance company negotiating the claim with the third party. Take control of your claim and communicate with your insurance company during the life of the claim.

## Contractors may Place liens on your Property

A contractor has the right to enforce their claim for payment against your property, even with a signed Assignment of Benefits. This means that they may place a lien on your property if they are not fully compensated for the work that was contracted. It is imperative that you know what work is being done and the cost of that work before repairs begin. If a contractor fails to pay their subcontractors for materials or labor, the subcontractors may also have the right to place a lien against your property.

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## Florida Department of Financial Services Issues a Warning about Contractors acting as Unlicensed Public Adjusters

Some contractors may offer to assist you with your insurance claim. Be aware that if a contractor helps you with or “handles” your claim, they may be unlawfully engaging in the practice of unlicensed public adjusting. If you suspect a contractor is engaging in unlicensed public adjusting or if you have any questions about what activities constitute acting as a public adjuster, please contact the Department of Financial Services Bureau of Investigations at

**850-413-3136**

Learn more at

**[www.myfloridacfo.com/agents](http://www.myfloridacfo.com/agents)**



This important message is brought to you by the Florida Property and Casualty Insurance Fraud Task Force