



NEW YORK STATE SENATOR

Charles J. Fuschillo Jr.

## Senator Fuschillo: Dfs Mediation Program Available to Help Resolve Disputed or Denied Insurance Claims Related to Superstorm Sandy

CHARLES J. FUSCHILLO JR. February 25, 2013

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Senator Charles J. Fuschillo, Jr. (R-Merrick) is informing residents that the New York State Department of Financial Services (DFS) has established a voluntary mediation process for homeowners disputing their insurance claims or dissatisfied with denials of their claims arising from Storm Sandy.

The program, which is similar to programs enacted in other states in the aftermath of Hurricane Katrina and Hurricane Andrew, aims to help bring prompt closure to disputed insurance claims.

Under the new regulation issued by DFS, Long Island homeowners may seek mediation for claims that are disputed or if they disagree with the insurance company's denial of a claim. The program would handle disputed real and personal property claims, other than those regarding damage to motor vehicles, which arose between October 26, 2012 and November 15, 2012. Claims made under the National Flood Insurance Program, which is administered by the federal government, are not eligible.

Under the DFS regulation, insurance companies are required to notify their homeowners of the right to mediate eligible claims. Insurers will have to participate in mediations in good faith and pay for the arbitration costs, which will be administered by the American Arbitration Association.

According to DFS, the mediation is not binding on the homeowner and will not affect the homeowner's other legal rights, such as a right to request an appraisal, the right to file a civil suit, and any other rights provided by law.

The mediation can be conducted face to face, by video conference, or telephone conference, depending upon what is agreed between the insurer and homeowner.