

# INSURANCE COMPANY RESPONSE TIME



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A black and white photograph of a hand pulling a chain attached to a pocket watch. The watch is positioned at the bottom of the frame, and the chain extends upwards, held by a hand at the top. The watch face is visible, showing numbers from 1 to 12 and hands. The background is a light gray gradient.

# HOW LONG SHOULD IT TAKE AN INSURANCE COMPANY TO RESPOND TO YOUR CLAIM

When your home or business suffers damage due to a natural disaster, your life can change quickly. Entire communities can be leveled overnight, bringing what was once a bustling town to a pile of rubbish. Insurance companies are there to help you through this peril, but the wait between the disaster and getting back to normal can be agonizing.

The responsiveness of your insurance company depends on several different factors. Still, as a policyholder, you expect a standard level of responsiveness and customer service from your insurer, especially considering you always pay your premiums on time. How long is too long before you should start seeking outside help? What is a reasonable window of time to expect that your insurer must contact you regarding your claim?

Merlin Law Group has dealt with many different property insurance claims in our 35 years of experience. Since 1985, we have helped policyholders recover millions of dollars from their insurance companies acting in bad faith. We created this eBook to answer a common question posed to us by policyholders—how long should it take for an insurance company to respond to my claim?

There isn't a definitive answer to this question, as insurance companies differ in their policies. However, we can provide a level of expectancy for you to adopt. At the end of the day, too long is too long, and no policyholder should be left high and dry from the very people they pay to protect their home or business.



# SURROUNDING CIRCUMSTANCES

Circumstances often play a vital role in gauging your insurer's responsiveness after a peril. For example, if your area suffered damages as a result of a natural disaster such as a hurricane, your insurer may have limited initial contact. Oftentimes, neighborhoods run with the same insurer, increasing the volume of claimants in a concentrated area.

There is a vast difference between servicing one claim and servicing tens of thousands. Your insurance company may be backlogged in claims and you might see delays in their response to you as a result. How they determine which claims to address first may have to do with the type of property, amount in damages, or any other number of factors.

Natural disasters bring obvious spikes in property insurance claim filings. Insurers will take their time with each one as they sift through cases scrupulously looking for ways to avoid paying certain claims. This can lead to many unresolved claims being left open for an extended period of time.

For example, Hurricane Michael devastated the Florida Panhandle area in 2018, yet 11 months later there is more than an estimated 20,000 individual claims left open. The state of Florida carries a law stating residential property insurers are supposed to pay claims within a 90-day timeframe. This obviously isn't the case if you look at the number of open claims. How can this be?

# THE FINE PRINT

It is important to note that policies differ from insurer to insurer and laws differ from state to state. In the example of the unresolved Hurricane Michael claims, while Florida law dictates insurers must pay out claims within 90 days, however that three-month window only kicks in once three specific conditions have been met:

- The claim has been officially filed.
- The insurer settles on how much is owed.
- The claimant accepts the amount put forth by the insurer.

In Florida, only once these conditions have been met does the 90-day timeframe apply. As you can probably imagine, it can take a lot longer than 90 days for there to be an agreement between both parties.

Your insurer may come back with an amount much lower than you were anticipating. They may flat out deny your claim, thus kickstarting a lengthy appeals process. Whatever the case may be, you can expect delays in processing that put you even farther away from that 90-day purgatory period. To the insurer, lengthening the process is an advantage in that they delay paying out your claim. For claimants, this delay stifles any opportunities of rebuilding their home and getting back to living normally.



## HOW LONG IS TOO LONG?

Chip Merlin, founder and president of Merlin Law Group, says the rule of thumb is typically anywhere from a month to three months is about the longest an insurance company should let a claim go out. If an insurer is doing their job properly, they should get someone out right away to assess your damage(s), determine the amount you are owed, and move to resolve the claim.

If you see that your claim is not being resolved after eight or nine months, please contact Merlin Law Group to assist in finding a resolution. We can determine what the hold up is surrounding your claim and prod your insurance company to rightfully paying what is owed. Don't let your insurance company drag out your claim longer than necessary. They have the resources to push out your claim for as long as they want, which is why we recommend you consult Merlin Law Group to see what options are available to you.

# STATUTE OF LIMITATIONS

While this draft has been concerned with the length of time policyholders should expect to wait on their insurer, the other side of the coin sees your insurer waiting on the policyholder to file a claim after loss. It would be unfortunate to lose out on a justified claim because the policyholder didn't file within the statute of limitations. The statute of limitations is the time you must file a lawsuit against your carrier after a loss. This varies from policy to policy and state to state. Act promptly and make sure you don't delay if you want to be properly paid for your claim.

# MERLIN LAW GROUP – HERE TO HELP

Merlin Law Group is dedicated to obtaining justice for policyholders nationwide. We have the resources to take your insurance company head-on every step of the way. Our network of qualified expert contractors, public adjusters and engineers can examine your case and testify on your behalf. If you feel your claim has been unfairly denied or that your insurance company's pay out is less than what is rightfully owed, please don't hesitate to contact us for a consultation. Let us get to work for you in putting you on the path towards a full and fair recovery.



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