



Maryland
INSURANCE ADMINISTRATION

CONSUMER ADVISORY

WATCH OUT FOR 'FREE ROOF' OFFERS

BALTIMORE – The Maryland Insurance Administration (MIA) is reminding consumers to proceed with caution when approached by roofing contractors with unsolicited offers to inspect their roof for damage in order to generate an insurance claim. Too often, these offers are part of a fraud scheme by dishonest contractors who misrepresent wear-and-tear as storm damage or, in some extreme cases, actually damage the roof to create a claim.

“If it sounds too good to be true, it probably is,” said Maryland Insurance Commissioner Kathleen A. Birrane. “We urge people to use common sense and to do their research before allowing a stranger to access their property or pursue an insurance claim on their behalf.”

Recently, a Maryland homeowner found a business card with this message written on the back: “New full roof covered by your insurance due to discontinued shingles. Call for free inspection.” The message was reported to the MIA and the roofing company that left the message is now under investigation by the MIA’s Insurance Fraud and Producer Enforcement Division. This kind of message is misleading and a violation of Maryland insurance law, noted Acting Associate Commissioner for Fraud and Enforcement, Joe Smith.

Coverage for damage to a roof depends on the cause of the damage and the specific terms of the insurance policy. Insurers are generally not required to pay for the replacement of an entire roof unless the entire roof is damaged by a covered cause of loss -- even if the shingles on the roof are no longer available. Further, homeowners insurance does not pay for roof maintenance or for a roof that has to be replaced because of normal wear-and-tear.

The MIA’s Consumer Education and Advocacy Unit offers the following tips to homeowners:

- Be wary of unsolicited offers to repair your home, particularly if they suggest that your insurer will pay for the repairs.
- Check out a contractor’s license, credentials, and reputation before you allow them to access your property. Consumers can use the Maryland Home Improvement Commission’s (MHIC) [online database](#) to find out if a contractor is licensed in the state, or call the MHIC at 1-888-218-5925. It is also a good idea to ask for references and to check with the Better Business Bureau.



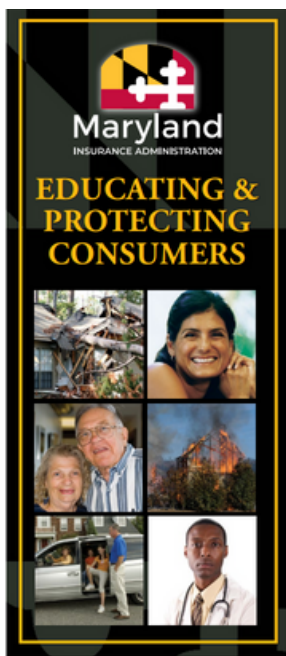
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- If a contractor is only interested in identifying and repairing damage that might be covered by insurance, that could be a sign of fraud. An honest contractor lets you know when repairs are needed and how much they cost; making insurance claims are not their primary concern.
- Do not sign a document that purports to “assign” your insurance claim to the contractor. It is illegal for a contractor to submit and negotiate an insurance claim on your behalf; only a licensed public adjuster can do that.
- When you hire an honest contractor, your insurer will work with you and the contractor to determine the scope of the covered damage, the amount payable under your policy, and how the repair costs will be paid.

Consumers are encouraged to report suspected insurance fraud activities to the MIA’s Insurance Fraud Division. You do not need to give your name. Simply call the insurance fraud tip line at 1-800-846-4069, or print and submit the [insurance fraud referral form](#) by mail to the address below. Consumers may also email fraud referrals by sending completed forms to fraud_referrals.mia@maryland.gov.



ABOUT THE MARYLAND INSURANCE ADMINISTRATION



The Maryland Insurance Administration (MIA) is the state agency that regulates the business of insurance in Maryland. If you feel that your insurer or insurance producer acted improperly, you have the right to file a complaint. The MIA can investigate complaints that an insurer or insurance producer has:

- Denied or delayed payment of all portions of a claim
- Improperly terminated your insurance policy
- Raised your insurance premiums without proper notice or in excess of what the law allows
- Made false statements to you in connection with the sale of insurance or the processing of insurance claims
- Overcharged you for services, including premium finance charges

Contact the Maryland Insurance Administration at:

200 St. Paul Place, Suite 2700

Baltimore, Maryland 21202

410-468-2000 | 800-492-6116 | 800-735-2258 TTY



<https://insurance.maryland.gov/Consumer/Pages/FileAComplaint.aspx>



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