INSURANCE CLAIM GUIDE

HAND IN HAND RESTORATION

ACCREDITED BUSINESS BETTER BUSINESS BUREAU

IICRC CERTIFIED FIRM

RIA Restoration Industry Association MEMBER

A HOMEOWNER'S GUIDE

Your Insurance Claim, *Explained*

What to expect from a water damage claim — the process, how you get paid, and what's covered.

1. How the process works
2. What's covered — and what isn't
3. Payments, deductibles & depreciation
4. Loss of use (ALE) & your rights
5. Getting repair estimates

CALL US ANYTIME

360-770-0058

HandInHandRestoration.com

WA Reg. HANDHHR745BT

How the process works

1 Report the claim

DAY 1

Call your insurer for a claim number. We can start drying right away to prevent further damage.

2 Emergency dry-out (mitigation)

USUALLY 3–7 DAYS

We remove wet materials, set drying equipment and check moisture daily until everything is dry to industry standard. Larger losses can take longer.

3 Paperwork to your insurer

WITHIN A WEEK OF COMPLETION

We send your adjuster all mitigation paperwork (photos, moisture logs, invoice) and the repair estimate.

4 Adjuster review and payment

VARIES BY INSURER

The adjuster reviews the paperwork, may visit the property, and issues payment. State deadlines apply (see “Your rights in Washington”).

5 Repairs (reconstruction)

ONCE APPROVED

We put your home back together. Your insurer may hold back part of your payment for depreciation. Don’t be alarmed — this is a normal part of the process, and those funds are usually released to you once repairs are complete and the final invoice has been sent.

Is my water damage covered?

Most homeowner policies cover **sudden and accidental** water damage. Many exclude leaks that ran **slowly or repeatedly over weeks, months or years**, but many still cover a long-running leak that was **hidden** in a wall, floor or ceiling where you couldn't have known about it. **Call as soon as you find a leak** — waiting once you know about it can put your claim at risk.

USUALLY COVERED — SUDDEN

- ✓ Burst pipe or supply line
- ✓ **Sudden** failure of a washer, dishwasher, fridge or water heater
- ✓ Sink, tub or toilet overflow
- ✓ Pipe that froze and burst in a heated home

USUALLY NOT COVERED — ONGOING

- × Slow leaks you knew about but didn't fix
- × Wear, rot or long-term mold
- × Outside flooding or groundwater (needs flood coverage)
- × Sewer or drain backup without backup coverage (see below)

Backups are a gray area. Water pushed up from a drain or sewer is usually excluded without backup coverage, but a fixture overflowing its rim or a sudden pipe break inside is often covered. Tell your adjuster exactly what happened.

SAVE THE DAMAGE!

Keep the failed pipe, hose, fitting or appliance part **until your claim is fully closed**, and whenever possible keep damaged belongings too. Your insurer has the right to inspect them. If something must go for health reasons, photograph it first.

How you get paid

Payment rarely comes as one check.

- **First check:** usually a good-faith payment based on the adjuster's own estimate — the minimum they know they'll owe, less your deductible and held-back depreciation. Insurers often expect to pay more, so don't worry if it seems low.
- **Supplemental checks:** more is paid as our invoices and estimate are reviewed and approved.
- **Final check:** the held-back depreciation, released after repairs are finished and the final invoice is sent.
- **Have a mortgage?** Checks are often made out to both you and your lender, who may release the money in stages. Call your lender early to learn their process.
- The dry-out (mitigation) invoice is often paid separately from the repair payments.

Your deductible

- Your deductible is your share of the loss. The insurer subtracts it from what they pay, and you pay it to the contractor doing the work.
- It usually applies once per claim, not separately to the dry-out and the repairs.
- Find it on your policy's declarations page. Some policies carry a separate or higher deductible for water losses.
- Because the deductible is part of your agreement with your insurer, we're not able to waive or discount it — doing so could put your claim at risk.

Depreciation: held back, then paid

Depreciation is the value materials have lost to age and wear. With a **replacement-cost** policy, most insurers first pay the depreciated amount (actual cash value) and hold the rest back.

That held-back amount — "recoverable depreciation" — is usually released once repairs are complete and the final invoice is submitted. We provide that final invoice for you.

Watch the deadline: many policies require repairs to be finished within a set time (often 180 days to 2 years) to collect it. Policies that pay **actual cash value only** don't pay it back.

EXAMPLE CLAIM

Approved repairs	$20,000
Depreciation held	− $3,000
Deductible	− $1,000
First check	**$16,000**
After repairs	**+ $3,000**
Insurer pays	**$19,000**
You pay (deductible)	$1,000

Numbers for illustration only.

How your claim is priced: Xactimate

Xactimate is the estimating software almost every insurance company uses to write and review property claims, using regularly updated pricing for your area.

We bill our water mitigation in Xactimate too, so your adjuster sees our invoice in the same format and pricing they already use. That means fewer disputes and faster approvals.

Two jobs, billed separately

Most water damage claims involve two separate jobs: **mitigation** (the emergency dry-out) and **restoration** (the repairs that put your home back together). Each has its own invoice or estimate, and your insurer reviews and pays each one separately, often at different times.

Paperwork your insurer will need

We handle the documentation for our work and send it straight to your adjuster, including:

- Signed emergency service contract
- Scope and findings report
- Photo report of the damage and work
- Moisture maps and daily drying logs
- Equipment log (what ran, where, how long)
- Itemized mitigation invoice (Xactimate)
- Contents and pack-out inventory sheet
- Asbestos and lead lab results
- ITEL report on material samples, to match flooring, cabinets and more
- Reconstruction estimate
- Our W-9 and certificate of completion

From you, they'll usually need receipts for any extra costs and your list of damaged belongings.

Supplements

It's common to find more damage once walls, floors or cabinets are opened. When that happens, we document it and send your adjuster a **supplement** — a request to add that work to the claim. It's normal, and it's one reason the first check is rarely the last.

Should you file a claim?

If the damage is small and the repair would cost about the same as your deductible or less, it may make more sense to pay out of pocket, since claims can affect your future premiums.

Asbestos & lead testing

Washington rules require checking for asbestos before materials like flooring, drywall or insulation are removed, and homes built before 1978 may need lead testing. Testing can add a few days before tear-out begins; its cost is usually included in your claim.

Mold coverage limits

Many policies cap mold coverage at a set dollar amount. Check your declarations page or ask your agent so there are no surprises — another reason fast drying matters.

Your belongings (contents)

Your personal belongings are a **separate part of the claim** from the building itself, with their own coverage and limits.

- Photograph every damaged item before anything is moved or thrown out.
- Make a list: what it is, about how old, and what it cost or would cost to replace.
- If belongings need to be moved out during repairs (a **pack-out**), the cost to pack, store and return them is usually part of the claim. If they can't be kept in your home, we offer **secured storage**.
- Keep damaged items when you can — your insurer may want to inspect them.

Loss of use (ALE)

Loss of use, or Additional Living Expense (ALE), pays the **extra** cost of living while your home is being repaired — for covered losses, up to your policy's limit. **What counts as unlivable, and what qualifies for ALE, varies from carrier to carrier**, so confirm your coverage with your insurer.

USUALLY COVERED

- ✓ Hotel or rental when the home is unlivable: no working kitchen or bathroom, major demolition or unsafe conditions
- ✓ Eating out when you can't use your kitchen — the cost above your normal grocery bill. Once you're in a rental with a working kitchen, this generally stops.
- ✓ Extra mileage, laundry or pet boarding

USUALLY NOT COVERED

- × Moving out when the home is still livable, just inconvenient
- × Claims that are denied or excluded
- × Costs you'd have anyway, like your mortgage or normal groceries
- × Amounts past your policy's ALE dollar or time limit

Higher power or water bill? Even if you stay home, you can usually be reimbursed. Drying equipment runs around the clock. Send your adjuster this year's bills and last year's bills for the same months — the difference is generally reimbursed.

Big water bill from the leak itself? A leak that ran for a while can run up a large water bill — we've seen them as high as $8,000. Depending on your policy, it may be claimable, so save the bill and ask your insurer. Also call your water utility: once the leak is stopped and repaired, they may reduce or eliminate the overage charge.

Your repair estimate — and your choice

We'll provide a repair estimate to your insurer, but **we can't force them to agree to it.** If they don't, get two more estimates from general contractors in your area and send those in — together they show the going rate for the work.

Once payment is issued, **you choose who does your repairs** — you are not required to use us.

FINDING CONTRACTORS

- ✓ Search **"general contractor near me"** on Google or Google Maps, and read the reviews.
- ✓ Look them up with the **Better Business Bureau** at bbb.org.
- ✓ Ask neighbors, friends or family who they've used.
- ✓ Make sure each one is registered, bonded and insured: search **"Verify a Contractor"** at lni.wa.gov.

WHAT TO ASK FOR

- ✓ **One estimate that includes everything** — every room and every part of the repair, not just a piece of it.
- ✓ **Itemized and broken down** line by line: quantities, materials and labor.
- ✓ The same scope of work as ours, so the numbers can be compared fairly.
- ✓ The contractor's name and WA registration number on the estimate.

Why we don't recommend other contractors: giving referrals would be a conflict of interest, so we leave that choice entirely to you.

Your rights in Washington

- You choose your contractor.
- Your insurer must acknowledge your claim within **10 working days**.
- After a completed proof of loss, they must accept or deny within **15 working days** — or tell you why they need more time.
- A denial must be in writing and cite the policy language.

Questions? WA Insurance Commissioner: 1-800-562-6900 · insurance.wa.gov

Still can't agree?

Most policies include an **appraisal** process for disagreements over the amount of the loss. You can also hire a licensed **public adjuster** to represent you; they charge a fee, usually a percentage of the claim. As another option, you can **file a complaint** with the Washington State Office of the Insurance Commissioner at **insurance.wa.gov** or 1-800-562-6900.

Last resort: an attorney. If your claim is denied or handled unfairly, look for an insurance attorney who represents **policyholders** (not insurance companies) in property damage or bad-faith claims. Search "property insurance claim attorney near me," or use the lawyer directory at **wsba.org**. Many offer a free consultation, and Washington law can make insurers pay legal fees in some cases.

Keep your claim moving

- [ ] Photograph damage before anything is removed.
- [ ] Be home for the adjuster's visit and walk them through every affected area.
- [ ] **Save the broken part or item that caused the loss, and damaged belongings,** until the claim is closed.
- [ ] Keep one folder: receipts and a log of every call and email.
- [ ] Check with your adjuster before booking lodging.
- [ ] Check your declarations page for deductible and ALE limits.
- [ ] Call us anytime — we'll help you through it.

My claim information

Insurance company _____

Claim number _____

Policy number _____

Adjuster _____

Adjuster phone _____

Adjuster email _____

Date of loss _____

Deductible _____

Mortgage company _____

Facing financial hardship? Water damage can create unexpected financial strain. If your insurance isn't paying part of your balance, you may request a hardship review of that portion. Requests are considered individually, and any adjustment is at the company's sole discretion and will be reflected on the final invoice. This does not apply to your deductible or any amount billed to your insurance company.

WE'RE HERE TO HELP

Questions about your claim? Call us anytime.

360-770-0058

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IMPORTANT — PLEASE READ

This guide is general information provided as a courtesy. It is **not legal, insurance or financial advice**, and it does not change, interpret or replace your insurance policy.

Hand in Hand Restoration is a restoration contractor. We are not your insurance company, a licensed public adjuster or an attorney. We work directly with your adjuster to document the damage and support our invoices and repair estimate, but we can't represent you on the rest of your claim. Your policy language and your insurer decide coverage.

Every policy and claim is different, and laws, rules and insurer practices change. While we try to keep this guide accurate, it may contain errors or become out of date, and we make no guarantee of coverage, payment amounts or timelines. Please review your policy and talk with your insurance agent, your insurer or a licensed attorney before making decisions about your claim. Last updated October 2026.