



NAVIGATING XACTIMATE IN AN INSURANCE LOSS

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About the Author

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In the event of a loss to property related to fire, natural disaster, broken pipes, accidents or acts of God, owners turn to insurance carriers to recoup the value of the property. Xactimate, used by adjusters and contractors nationwide, is a powerful estimating tool developed to price out every step of the claim process. This bulletin will briefly explain the three primary types of estimates: content manipulation, mitigation of the damage and structural repairs. Each category involves direct valuation of damaged property to be paid out by the insurer, thus it is beneficial to separate these three estimates.

Content Manipulation

Xactimate allows the “contents subcontractor” to price out every aspect of manipulating, moving, cleaning and storing contents. The contents subcontractor hired for this portion is often retained by the general contractor who will complete the structural repairs. However, if contents need to be manipulated as part of the emergency services mitigation, this service could be broken up. In the event that contents end up in separate places, it is important for the insured to document and remain in communication with their contractors to reduce unnecessary storage costs.

Mitigation

Emergency repairs are often considered the mitigation portion of a loss. Owners should vet and research reputable emergency service contractors prior to any loss as this step is crucial to successful safety and structural repairs. Mitigation contractors tend to communicate directly with the insurance company on the status of a dry out and will invoice the adjuster directly. This portion of the loss often is the first aspect to be paid in full. Xactimate can be used to price out special services such as industrial hygienists, asbestos testing, and mold remediation. However, in an emergency situation these tests are conducted after the cause of loss is controlled. Then the testing occurs, possible mitigation protocols are outlined (for example, if asbestos is found in wet drywall, the hygienist will outline a mitigation protocol for safe removal), and completed mitigation follows.

Structural Repairs

The structural repairs may begin once all mitigation and protocols are complete. The owner should obtain a qualified, experienced restoration contractor to perform these services. Owners have the opportunity to choose any licensed general contractor they prefer.

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Hidden damage often can be found as structural repairs commence so it is highly important for a contractor to stop and document each step for transparency and to adjust the overall scope of repairs with the insurance adjuster.

Contractors who utilize Xactimate for their estimating purposes will have more success communicating, documenting and working with an insurance adjuster to complete the project. Consider becoming familiar with Xactimate if you are involved in restoration work.