FREE GUIDE - FIRE AND PROPERTY CLAIMS

THE 3 KINDS OF ADJUSTERS

AND WHO EACH ONE ACTUALLY WORKS FOR

After a fire, three different people can show up calling themselves an "adjuster." They do similar work - inspect the damage, read your policy, put a number on the loss. They do not work for the same side.

This guide tells you how to tell them apart in about two minutes, what to ask before you sign anything, and where the U.S. and Canadian rules differ.

> **"IF I HADN'T TAKEN THE STEPS I DID, WE WOULD HAVE LEFT $71,106.87 ON THE TABLE."**
>
> That was with an insurer that treated us well overall. The difference was not luck. It was documenting the loss ourselves and knowing who was sitting across the table.

> **The one-line rule:** Follow who signs their paycheck. That is whose interests they protect.

We don't invent methods, we improve on proven solutions. Everything in here is built to be checked - verify any adjuster's licence with your state or provincial regulator before you sign.

START HERE

THREE TITLES. ONE QUESTION: WHO HIRED THEM?

All three adjusters inspect damage and estimate cost. The job looks the same from your driveway. The loyalty is not.

TYPE	WHO HIRES THEM	WHO PAYS THEM	WHOSE INTEREST THEY PROTECT
Staff / company adjuster	Your insurance company	Your insurance company (salary)	The insurer
"Independent" adjuster	Your insurance company, often through an adjusting firm	Your insurance company (contract)	The insurer
Public adjuster	You, the policyholder	You - a percentage of the settlement	You

> **The trap in the name:** "Independent" does not mean neutral, and it does not mean on your side. It means independent of the insurer's payroll. An independent adjuster is still hired by, paid by, and reporting to the insurance company.

WHY THIS MATTERS AFTER A FIRE

A fire claim is not one decision. It is dozens - what is covered, what it costs to repair or replace, what your policy actually promises for additional living expenses, depreciation, and code upgrades. The person pricing those decisions was hired by somebody. Knowing who tells you how to read every number they hand you.

None of this makes a company adjuster your enemy. Many are fair and experienced. It does mean their job is to settle your claim on terms their employer accepts. Your job is to make sure the full loss is documented anyway.

ASK FIRST

"Who do you work for, and who pays you on this claim?" Ask it before the walk-through, not after the estimate arrives.

THEN VERIFY

Get the name, firm, and licence number. Confirm it with your state insurance department or provincial regulator.

STAFF VS. "INDEPENDENT" - SAME SIDE, DIFFERENT PAYROLL

If the insurer sent them, they work for the insurer - whether they are on staff or on contract.

01
STAFF / COMPANY ADJUSTER

A salaried employee of your insurance company. Handles claims only for that carrier, works inside the insurer's guidelines and estimating systems, and answers to the insurer's claims managers.

What to expect: They manage your file day to day, authorize payments within their authority, and follow the company's playbook on pricing and coverage calls.

02
"INDEPENDENT" ADJUSTER

A contractor hired by the insurance company, often through an adjusting firm, when volume spikes - after a storm, a wildfire, or a disaster with hundreds of claims at once.

What to expect: Same loyalties, different employment paperwork. They are paid by the insurer, follow its guidelines, and report their findings back to it.

WHAT TO DO WHILE THEY WORK

- **Document in parallel.** Photograph and video everything before cleanup, room by room. Keep a dated inventory of destroyed and damaged items.
- **Get it in writing.** After each visit or call, note who said what, and keep every estimate, letter, and email in one file.
- **Do not confuse polite with neutral.** Professional and courteous is common. So is a mandate to control claim cost. Both can be true at once.
- **Ask what authority they have.** Many field adjusters must send larger decisions up the chain. Know where your file actually gets decided.

> **A note on churn:** If your file keeps getting reassigned to a new adjuster, keep a simple timeline - dates, names, what was promised, what is still outstanding. A clean paper trail survives every handoff. Losing track is how months disappear.

Work well with the insurer's adjuster - just do not outsource your only copy of the loss to the other side of the negotiation.

YOUR SIDE OF THE TABLE

THE PUBLIC ADJUSTER - THE ONLY ONE YOU HIRE

A public adjuster works only for you. You hire them, they document your loss and negotiate with the insurer on your behalf, and they are paid a percentage of the settlement.

WHAT THEY ACTUALLY DO

- Inspect and document the full scope of loss - structure, contents, and additional living expenses.
- Read your policy for coverage the first estimate may have missed or priced low.
- Prepare and present your claim, then negotiate the settlement with the insurer.

By law and by licensing rules, a public adjuster cannot represent both you and the insurer on the same claim. That clean line is the point of the licence.

HOW THEY GET PAID - AND WHY THE WORDING MATTERS

The fee is contingency: a percentage, agreed in writing before work begins, paid out of the settlement. The percentage alone does not tell you what you will pay. The calculation method does.

PERCENTAGE OF THE FULL SETTLEMENT

The fee applies to the whole settlement - including money the insurer had already offered before you hired the adjuster.

PERCENTAGE OF ONLY THE INCREASE

The fee applies only to the additional money recovered above the insurer's prior offer. Very different bill on the same claim.

> **Worked example:** The insurer has offered $100,000. A public adjuster settles the claim at $150,000 on a 10% fee. On the **full settlement**, the fee is $15,000. On **only the $50,000 increase**, the fee is $5,000. Same percentage. $10,000 difference. Get the method in writing.

A public adjuster is not mandatory, and a small, straightforward claim may not need one. They earn their fee on large, complex, disputed, or under-documented losses - exactly the kind a house fire tends to be. A voluntary national conduct code for public adjusters launched in the United States in 2026; membership is a positive sign, but your state or provincial licence check is still the test that counts.

UNITED STATES AND CANADA - WHAT THE RULES ACTUALLY SAY

Licensing and fee rules are state and provincial law. Verified as of October 2026 - confirm your own jurisdiction before you sign.

UNITED STATES

- **Licence required.** Public adjusters must be licensed by the state. Verify any adjuster with your state insurance department before signing.
- **Texas:** Public adjuster commission is capped at **10% of the settlement**. The percentage must be stated clearly in the written contract.
- **Florida:** Fees are capped at **10%** on claims tied to a governor-declared emergency during the first year after the declaration, and **20%** on other claims. No fee may be charged on money the insurer had already paid or committed to pay in writing before the contract was signed.
- **Everywhere:** Get the exact percentage, the calculation method (full settlement vs. only the increase), and the cancellation window in the written contract before any work starts. Several states give you a short no-penalty cancellation period.

CANADA

- **Public adjusters exist in Canada** and are licensed provincially. There is no single national licence, and an adjuster licensed in one province generally needs authorization to work in another.
- **Who regulates them:** Nova Scotia - Office of the Superintendent of Insurance, Department of Finance and Treasury Board (adjuster licences, Levels I-V); Ontario - Financial Services Regulatory Authority of Ontario (FSRA); Alberta - Alberta Insurance Council; British Columbia - Insurance Council of BC; Quebec - Autorite des marches financiers (AMF).
- **Fee caps - read this carefully:** No Canadian statutory fee cap was found in this research. In Canada the fee is **contractual and negotiated**, not set by a legislated percentage. Industry contingency fees are often cited around 10-15%, but that range is market practice, not a legal cap. That makes your written agreement the whole protection.
- **Consumer resource:** The Canadian Public Adjusters Association (CPAA), a national not-for-profit focused on consumer protection and policyholder education, launched in October 2025, with licensed firms from Alberta, British Columbia, Ontario, and beyond.

> **The honest bottom line:** In the U.S., state law puts a ceiling on some fees. In Canada, your contract is the ceiling. Either way, the fee percentage and the calculation method belong in writing, signed, before the adjuster does any work.

BEFORE YOU SIGN - AND WHAT TO DO EITHER WAY

THE CONTRACT CHECKLIST. THEN DOCUMENT IT YOURSELF.

- ☐ **Licence verified.** Name, firm, and licence number confirmed with the state insurance department or provincial regulator listed on page 5.
- ☐ **Fee in writing.** Exact percentage stated - and whether it applies to the full settlement or only to the increase above the insurer's existing offer.
- ☐ **Signed before work begins.** No handshake deals. No work started before the fee agreement is signed.
- ☐ **Cancellation window.** How many days you have to cancel without penalty, and how to cancel in writing.
- ☐ **Scope spelled out.** What the adjuster will do - inspection, inventory, policy review, negotiation - and what stays your responsibility.
- ☐ **Existing offers - explicitly in or out.** If the insurer already offered money, the contract says whether that amount counts in the fee calculation.

THE CLOSER: THE MONEY IS IN YOUR DOCUMENTATION

Hiring help is optional. Documentation is not. Even when the insurer treats you well - and ours did, overall - the steps you take yourself decide what gets paid. Photograph everything. Inventory everything. Save every receipt, estimate, and email. Track every promise with a date and a name. That is how an extra $71,106.87 stayed in our pocket instead of being left on the table - not by fighting, but by having the paperwork to prove the loss.

> **Next step:** Keep this guide with your claim file. The next N2K tools go deeper - documenting contents, reading estimates, and tracking a claim that changes adjusters. What you Need 2 Know, when you Need 2 Know it.

Free 25-Minute Pre-Disaster Audit https://go.need2know.site/opt-in

Disclaimer: Educational information only, checked October 2026. Not legal, financial, or insurance advice. Fee caps, licensing, and cancellation rights vary by state and province and change over time - verify with your regulator and consult a licensed professional about your claim.

Prepared using United States and Canadian legislation. In another country? Contact us and we will try to update it for yours.

Sources: Texas Dept. of Insurance / Texas Admin. Code (10% cap); Florida fee limits (10% / 20%); Nova Scotia, FSRA (Ontario), Alberta Insurance Council, Insurance Council of BC, Quebec AMF; CPAA launch, Oct 2025; NAIC Public Adjuster Licensing Model Act.