

**Florida Department of Financial Services
Division of Consumer Services**

Claim Handling Code of Ethics

Being a licensed insurance adjuster comes with several ethical obligations. The work of an adjuster is deemed to be a public service, and the Florida legislature has set in place several ethical rules to help protect the public. These rules are found in [Florida Administrative Rule 69B-220.201](#). Below are some of the most important rules adjusters must comply with.

Independent Adjuster: a person licensed as an all-lines adjuster who is self-appointed or appointed and employed by an independent adjusting firm or other independent adjuster, and who undertakes on behalf of an insurer to ascertain and determine the amount of any claim, loss, or damage payable under an insurance contract or undertakes to effect settlement of such claim, loss, or damage.

Company Adjuster: a person licensed as an all-lines adjuster who is appointed and employed on an insurer's staff of adjusters or a wholly owned subsidiary of the insurer, and who undertakes on behalf of such insurer or other insurers under common control or ownership to ascertain and determine the amount of any claim, loss, or damage payable under a contract of insurance, or undertakes to effect settlement of such claim, loss, or damage.

Emergency Adjuster: a person who is not a licensed adjuster under this part, but who has been designated and certified to the department by insurers as qualified to adjust claims, losses, or damages under policies or contracts of insurance issued by such insurer, and whom the department may license, in the event of a catastrophe or emergency, for the purposes and under the conditions which the department shall fix and for the period of the emergency as the department shall determine, to adjust claims, losses, or damages under the policies of insurance issued by the insurers.

General Rules for Adjusters for all Types of Claims Adjusters:

- An adjuster must identify himself or herself in any advertisement, solicitation, or written document based on the adjuster appointment type held.
- An adjuster who has had his or her license revoked or suspended may not participate in any part of an insurance claim or in the insurance claims adjusting process, including estimating, completing, filing, negotiating, appraising, mediating, umpiring, or effecting settlement of a claim for loss or damage covered under an insurance contract. A person who provides these services while the person's license is revoked or suspended acts as an unlicensed adjuster.
- Must put fair and honest treatment of the claimant above their own interests.
- Cannot steer any claimant needing repairs or other services to any person with whom the adjuster has an undisclosed financial interest or who is anticipated to provide the adjuster with any compensation for the referral for any resulting business.
- Should not provide any favored treatment to any claimant.
- Must adjust claims strictly in accordance with the insurance contract.
- Must not approach investigations, adjustments, and settlements in a manner prejudicial to the insured.

- Must make truthful and unbiased reports of the facts after making a complete investigation.
- Must handle every adjustment and settlement with honesty and integrity and allow a fair adjustment or settlement to all parties without any compensation or remuneration to himself or herself in which they are not legally entitled.
- Must act with promptness and due diligence in achieving a proper disposition of the claim.
- Cannot negotiate with a third-party claimant represented by an attorney, if he has knowledge of the attorney, without permission from the attorney. This does not apply to an insured or the insured's resident relatives.
- Cannot advise a claimant to refrain from seeking legal advice or retaining legal counsel or the employment of a public adjuster to protect the claimant's interest.
- Cannot negotiate with or obtain a statement from a claimant or witness at a time they would reasonably be expected to be in shock or serious mental or emotional distress as a result of physical, mental, or emotional trauma associated with a loss; nor can a public adjuster conclude a settlement when the settlement would be disadvantageous to a claimant who has been traumatized or distressed by a loss.
- Must not knowingly fail to advise a claimant of the claimant's claim options in accordance with the terms and conditions of the insurance contract.
- Must be competent and knowledgeable as to the terms and conditions of the insurance coverage.
- No person shall, as a company employee adjuster or independent adjuster, represent him or herself or any insurer or independent adjusting firm against any person or entity that the adjuster previously represented as a public adjuster.

General Rules for all Adjusters for all types of Claims:

- When preparing and submitting a detailed written estimate of loss for damage to residential properties adjusters must use an electronic estimating program to create or modify the estimate.
- Any changes made by the public adjuster to a previous estimate of the loss amount provided to the insured or insurer, must include an explanation detailing the reasons for each change. Additionally, the adjuster must keep copies of any documentation that supports the changes made to previous estimates given to the insured or insurer.
- The estimating program must provide a report with an itemized estimate of damage to the property, detailing equipment, materials, labor, and supplies on a per-unit basis.
- The electronic estimating program must utilize price data consisting of unit-cost breakdowns that are consistent with what a contractor or repair company would expect in the relevant geographic market area.

- Adjusters are prohibited from modifying the prices generated by the electronic estimating program or altering any other input or output unless they can provide additional documentation demonstrating the need for such modifications. Every modification must align with current market prices for the equipment, materials, labor, and supplies necessary to complete the covered repairs in the relevant geographic area.
- The adjuster who modifies the estimate must provide her or his name on the modification document.
- Adjusters must provide the written estimate of loss to the insured within the time frame prescribed by law.
- The written estimate of loss provided to the insured must include:
 1. The line-item estimate produced by the electronic estimating program.
 2. A variation report or a similar document showing any modifications made by the adjuster.
 3. If applicable, additional documentation supporting any modifications to the input or output of the electronic estimating program.

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