

Fla. Attorney Predicts ‘Barrage’ Of Storm Suits

BY STEVE TUCKEY

A PROMINENT NORTHERN FLORIDA plaintiffs’ attorney predicts a “merciless barrage of hurricane lawsuits” against insurers, claiming they failed to properly insure homes or satisfy claims from the grand slam of hurricanes that hit the state.

Pensacola-based attorney Samuel Bearman blamed insurance companies seeking “to absolve themselves of responsibility” for the legal action that he expects to bring in the coming months.

Mr. Bearman filed what he termed the first lawsuit stemming from Hurricane Ivan, which hit Florida on Labor Day weekend. He alleges that the San Antonio-based USAA failed to not only compensate a family for the total value of their destroyed home, but also to advise them to buy flood insurance in the first place.

“They were on the bayou and should have had flood insurance,” he said. “Not necessarily by law, but we think the agent should have recommended it.” While certain homeowners are required to have fed-

eral flood insurance, many other vulnerable homes do not face the same requirement, he added.

Mr. Bearman said that his experience with Hurricane Opal in 1995—after which he handled nearly 100 claims, many of which led to lawsuits—leads him to believe the problem will be magnified with these storms. “There is a lot more damage now from Ivan than there was from Opal, and the problems are similar,” he said.

Mr. Bearman said he has about half a dozen cases in various stages of discussion. “I’ve also met with a dozen or so, and we are still waiting for the final answer from the insurance carriers on their claims, and I expect to be hearing from them soon,” he said.

While the four storms that hit in two months—Hurricanes Charley, Frances, Ivan and Jeanne—resulted in more than two million claims, only those involving total losses for the most part will cross the

desk of Mr. Bearman and his counterparts throughout the state.

William Stander, regional manager for the Property Casualty Insurers Association of America, said any time there are

Insurers should brace for suits over claim settlement offers and charges that insureds should have been sold flood coverage

losses on the scale that the Florida hurricanes caused, there is bound to be litigation. “Now there are some attorneys in the Pensacola area who are craftily trying to set the stage via press releases be-

fore they hit the courtroom, to create in the public mind that the industry has pulled a fast one in that we sold hurricane policies and there was some massive conspiracy that we don’t cover flood,” Mr. Stander said. “This is even though the flood insurance program has been in effect for some 50 years.”

Mr. Stander said there could be some issue with agents if they fail to properly explain the risks, but in most areas homeowners are free not to buy flood insurance, if that is their desire. ■