



Episode 657 | March 11, 2022 | 12:00 PM EST

Patricia L Harman

“A Journalist’s Perspective on the Evolution of the Insurance Property Restoration Industry”

This week we welcomed Patti Harman, editor-in-chief of the PropertyCasualty360.com group, for a discussion on the past, present and future of the insurance property restoration industry. There continue to be big changes in the property restoration insurance marketplace as in all insurance markets. We looked back at how we got where we are today and what the future looks like with a long-time industry journalist, Patti Harman.

Patricia L. Harman is the editor-in-chief of the PropertyCasualty360.com group, which includes Claims Magazine, National Underwriter Property & Casualty Magazine and the PropertyCasualty360.com website, and chairs the annual America's Claims Executive Leadership Forum (ACE), which focuses on providing claims professionals with cutting-edge education and networking opportunities. She covers auto, property & casualty, workers' compensation, fraud, emerging risks and cybersecurity, hosts the Insurance Speak podcast, and is a frequent speaker at insurance industry events. She has 20+ years of experience covering the property restoration and insurance industries.

Nuggets mined from today’s episode:

What made you choose journalism as a career? Patti’s father gave her the option of choosing any major in college with the understanding that if she changed it that she would then have to pay for her education. She selected communications which included journalism and public relations.

Patti Harman’s long tenure and experience as the editor of Cleaning & Restoration Magazine well prepared her for her role at PropertyCasualty360.com. She learned about the insurance carrier and insurance contractor relationship through the restoration contractor’s perspective. PropertyCasualty360.com has diverse

product offerings which serve the fields of insurance, finance and law. The group's insurance offerings reach agents, brokers, claims departments all the way up to the executive suite. Some of the ways the group earns income are: hosting events, selling sponsorships, advertising and providing creative services such as advertorial creation, custom podcasts, etc. Events are attended by claims executive leadership, claims executives, adjusters, restoration contractors. Legal Week event sessions: include Diversity, Equality & Inclusion and Insurance Fraud.

Let's start with a little about your background in the restoration and insurance industries. Some of our audience will know you from your time with RIA and Cleaning and Restoration Magazine. Tell our audience a little about that time in your life and how it led to where you are today?

What are your thoughts RIA's C&R magazine to divest of C&R Magazine and Michelle Blevins' decision to acquire it? Patti has spoken with Michelle and is both excited and complimentary about Michelle's improvements and her taking over C&R Magazine. Patti opined that Michelle has found new and improved ways of disseminating information and education and for Michelle and C&R the future is bright!

What is the Golden Quill award now the Patricia L. Harman Golden Quill award, and will it continue under Michelle's leadership? The Golden Quill Award now the Patricia L. Harman Golden Quill Award was an RIA award given to the article in C&R judged best by a committee. Patti hopes that Michelle will continue the award.

The changing insurance landscape and its impact on the restoration industry? Senior adjusters are retiring, new adjusters don't have the same level of training/knowledge as their predecessors, there will be an increased use of and reliance on insurtech for every aspect of the claims process.

What is insurtech? Short for insurance technology. Insurtech grew exponentially during the pandemic. Some carrier's policyholders must file claims touchlessly. The policyholder downloads an app, follows instructions to take photos (how, where and how many), uploads the photos, an algorithm creates an estimate without any human intervention until later in the claim. Restoration contractors must keep abreast of industry changes. According to a J.D. Power survey, policyholders want

human involvement during claims handling; an opportunity for restoration contractors to build relationships.

What is the future of Xactimate? Xactware is a well known and broadly used property damage estimating software. Xactware is used by multiple insurance carriers.

Cybersecurity? Is a real risk for every business everywhere and restorers will be targets. It's not an if, it's a when! The costly hack of Target stores was gained through exploiting Target's HVAC contractor's access to their computer network. Small businesses are more vulnerable and likely to be hacked. Hackers are searching for data and information. All parties are responsible for their role in protecting data and information.

TPAs will never go away? Patti has seen the TPA issue from both sides and opines that TPAs aren't going away. Insurance carriers rely upon TPAs to manage workmen's comp claims. Property insurance carriers rely upon TPAs to locate and identify contractors and to lower repair costs. TPA success depends on their working with quality restoration contractors.

What kind of tips can you give for restorers? Watch what's going on in the insurance market - e.g., a hard residential market in Florida will have a direct impact on who pays for restoration services; watch the bellwether states - New York, Texas, Florida, California, Illinois - what happens there spreads to other states, watch for emerging risks - they have significant impacts on the property insurance market and the restoration industry - e.g., increased wildfire risks, more severe storms, supply chain issues. Watch the legalization of cannabis - it's legal on a state-by-state basis and companies operating in multiple states or handling federal contracts have to know employment requirements for their workers and subcontractors. Workers who operate vehicles and heavy equipment may be impaired. There is no breathalyzer for cannabis detection. Workers may use cannabis for medicinal purposes. Workers may use cannabis recreationally and test positive for days after.

ROUNDUP

Global Restoration Watch Dog Pete Consigli

- Patti's knowledge, experience and relationships forged at RIA, prepared her well for her position at PropertyCasualty360.com.
- Provided back story on the Founding Fathers article which Pete wrote and Patti skillfully edited. The importance of having a talented editor is often underestimated.
- Historically, insurance companies relied upon adjusters to deal with contractors. TPAs fill a need for insurance carriers.
- Dale Sailer's articles in C&R about how the auto repair industry organized to work with auto insurers stimulated interest in having restoration contractors do the same, but never was successful.

Patti Harman-

- Patti is keeping a close eye on several industry standards.
- RIA's Advocacy and Government Affairs committee is improving communications between the restoration industry and insurance carriers.

Trivia Question:

Other than writing what do the Poet Robert Frost, Dramatist Eugene O'Neil and Dramatist and Biographer Robert Sherwood have in common?

Answer: Only people to have each won four Pulitzer prizes.