



## IAQ RADIO+

**Show Number: 732 Blog**

**Seth Harrison**

Executive Director Actionable Insights

**Scoping with Accuracy -The Actionable Profile**

Good day and welcome to the IAQ Radio+ episode 732 blog. This week we welcomed Seth Harrison (Executive Director of Actionable Insights), for a discussion on scoping and billing restoration projects. Actionable Insights has built a product that helps ensure restoration contractors scope accurately and get paid fairly.

**Seth Harrison, Executive Director**

After learning the ins and outs of claims settlement as a project manager/program estimator, Harrison joined Actionable Insights in 2017 to co-author a 3000+ page book of Xactimate invoicing templates. As an Xactimate Certified Trainer and Matterport Certified Trainer, Harrison has traveled the country to help estimators and adjusters adopt remote/centralized job processes to improve industry efficiency and reduce claims friction. With the newest and most impactful resource yet, the Actionable Xactimate Profile which provides live estimating guidance while you work, Harrison works to ensure all property insurance professionals have access to the resources and tools that will help them love what they do.

**Nuggets mined from today's episode:**

***Please tell us a little about your background and how you got involved with AI?*** Seth grew up in San Diego and attended the University of Pennsylvania. He sold various insurance products for 3 years. After advising his employer that he sought a different opportunity, they referred him to a contractor who had secured a large occupied-residence re-piping project. At his job interview he told his future employer that he was a fast learner and was a hard worker. He went on to manage the piping project and then became a *program estimator*; using Xactimate to prepare estimates for Nationwide Insurance claims. Seth attended an Xactimate estimating course taught by Mark Whatley. As a program estimator, Seth was

accustomed to being told what could not be done in Xactimate and was intrigued by Whatley's training philosophy focused on what could and should be done in Xactimate. Because he asked so many questions, Whatley labeled Seth as his best and worst student. After the course, Seth invited Whatley out for a beer and told him that he wanted to work with him. Actionable Insights mission statement is to "preserve the health of the restoration ecosystem".

***Have you found that most insurance carriers really want to fairly settle a claim?*** Seth has found that insurance adjusters 'want to pay what is owed' and require the supporting documentation.

***Historically, is there more or less friction now between contractor and insurance carrier, than there was when you entered the field?*** Seth opined that there is more friction now than ever before and it is getting worse. There are a growing number of obstacles and burdens. Insurance carriers expect contractors to do more and more. While medical insurance and auto repair have standards for invoicing, none exists in the \$200B property claims industry. While there is uniformity in policy language, we have 50 different states, with 50 different insurance commissioners. Restoration estimators are mostly self or peer taught. Adjusters handle 10X the number of files that a restoration estimator handles. The average adjuster works in the industry for only 28 months, which isn't sufficient time to learn or gain the needed skills. Adjusters and contractors read the words within Xactimate and argue about the meanings. Answering these questions reduces friction: what is the contractor proposing to do, is it reasonable, has it been explained and documented?

***Why did "Actionable Insights" elect to become a C6 nonprofit?*** Actionable Insights began in San Diego and grew out of monthly meetings where contractors and adjusters got together as friends to talk about what is reasonable and customary (e.g. what is involved in removing and resetting a garbage disposal). There are no owners or equity. The volunteer board of directors is comprised of 50% contractors and 50% adjusters. As an organization Actionable Insights is unbiased and pro-industry. All revenue is reinvested in the mission.

***A significant percentage of IAQradio listeners are industrial hygienists who are often called upon to prepare protocols for water damage restoration, mold remediation, fire restoration, HAZMAT restoration, resolution of indoor environmental problems; would they benefit from Actionable Insights? Would Actionable Insights benefit from industrial hygienists in building their content?*** YES, the template authors reached out to industry experts in process, safety and execution. Every 3 months, Actionable Insights meets with Xactimate to add new line items. The public can submit

suggestions for new line-item additions. Trauma cleaning, mold remediation, HAZMAT templates exist. The public can submit suggestions for new line-item additions. <https://getinsights.org/advance-the-cause/line-item-request>

***Does Actionable Insights work with any other estimating software programs?*** Based upon the 3,000 templates pages that Actionable Insights created, the company was invited by Verisk to work with Xactimate. Currently Actionable Insights has a proprietary profile with Xactimate. The Actionable Insights Profile, providing everything they know 24/7/365. The Actionable Profile works like the bumper guards at a bowling alley, always hit pins, never a gutter ball. The alerts are opportunities for improvement. The warnings provide awareness of possible mistakes such as duplicate billing. Z-Man described the Actionable Profile as an airplane pilot's onboard flight instructor providing cautions and alarms.

***How do restoration contractors learn estimating?*** Typically, self-taught or peer taught.

***TPAs-*** Seth estimates that 20%-30% of repair claims pass through a TPA. In Canada and Australia, the percentages of program work are much higher. Third party administrators enforce program rules, manage expenses, and are supposed to ensure good outcomes. Claim reviewers shouldn't change the rules. No more Yellow Pages, it's becoming more and more common for first notice of loss going directly to the insurance carrier. Seth advises restorers not to burn bridges, they may want to do program work in the future. Seth reviewed claims files from a contractor who felt program work was less profitable than adjuster assigned work and learned that program work was more profitable because the contractor wasn't reducing his bill as an incentive for future business.

In program work every line-item matters. How to document, justify and present. Doing program isn't mandatory, we will always need independent contractors.

***Is the format of an estimate important?*** Yes. In days past, the adjuster would judge a contractor by the neat appearance and tightness of their containment. Adjusters are less likely to meet with you on the jobsite. The presentation format of the estimate does matter; it should look like a textbook with headings, notes providing explanation, etc.

***What is the average number of volleys between contractor and carrier to settle a claim?*** 3.7 revisions.

*Insurance carriers often accuse contractors of “nickel and diming them by charging for every little thing”, does your Actionable Profile get the same pushback?*

Generally, not, but anyone can bill for anything. Does not mean they will collect, as they will need to document and justify, but the Actionable Profile will help provide guidance as to the warranted line items and justification.

***What is Matterport®?*** - Matterport® is a 3D geospatial mapping system.

<https://matterport.com/> Rather than a contractor taking photos, Matterport® reduces inefficiencies by capturing more data early in the process with methods and results not available previously. According to Seth, “the age of information” is becoming the “age of automation”.

## Round Up

- The property claims system is broken in California and Florida. Crazy insurance stuff begins in California and Florida and works its way cross country.
- A contractor is only as good as the jobs he says no to!
- WTRDRY is the Xactimate code for an air mover and was one of the first codes.
- In the Xactimate headquarters in Utah, they have the old floppy discs on which contractors throughout the country submitted their pricing.
- Price is only an issue in the absence of value.
- Thinking that this is the way we’ve always done it, is dangerous.
- While you can bill for anything, you’ll likely only collect for what is reasonable and customary.
- Provide answers before questions. In Xactimate use the F9 function to provide notes.
- People working together to solve industry problems.

Learn more at [getinsights.org](http://getinsights.org)

*Z-Man signing off*

**TRIVIA Question:**

*In what year did Xactware open for business with their Xactware estimating System?*

**Answer 1986**

Answered by: Don Weekes