

Agents go extra mile after Sandy's devastation

Accounts of Sandy from PIA members

By Drew Cordes

Thousands of people and properties across the Northeast were left devastated in the wake of Sandy last year. Some families and business owners who suffered significant losses still are working to put their lives back together. Fortunately, many of those hit by the storm were and are aided by professional, independent insurance agents, who provided an unsurpassable level of personal attention and care. Even more remarkable is the extreme lengths agents went to serve and comfort their clients, often while struggling with their own damaged homes and businesses.

Agents themselves hit by storm

One needs look no further for proof of independent agents' dedication than the extensive losses they themselves endured while maintaining professional veneer and attentive service for their clients. William McMahon III, CIC, CWCA, president of the McMahon Agency Inc., in Ocean City, N.J., sustained no damage to his own home, but many at his agency, including his three brothers, were hit. "A couple of the ladies in the office, they have older homes in Ocean City, they sustained major damage; and yet you would not even realize it the way they handled the customers." The same was true of William Malloy Jr., CIC, owner and president of WM F. Malloy Agency Inc., in Stamford, Conn. "We were personally affected. My house was flooded," said Malloy, adding that many of his employees were left without power.

Michael Cracco, of Completely Covered Insurance Agency, in Massapequa, N.Y., saw his agency lose power for nine days and suffered substantial personal losses, as well. "Our home, the whole downstairs, the first floor, had to be redone. We had 18 inches of water throughout the house. Two cars got destroyed. ... My mom and dad, their home was affected. My two brothers, their homes were devastated."

Justin Fries, CIC, CPCU, CPIA, of Garber Atlas Fries & Associates, in Oceanside, N.Y., said his agency "took 3 to 4 feet of sewage and water into the building. The building is two stories, which is good and bad. The majority of the building is not affected because it's on the second floor ... but the big problem is our server room is on the first floor. So when everything came through it wiped out our servers, computers, communications."

Rip Bush, of Keer & Heyer Inc., in Point Pleasant Beach, N.J., said that out of the eight people at his agency, four had massive flooding issues in their homes, with one employee whose home was spared but inaccessible. "Most of the employees here were without power in our homes for six to nine days," said Bush. "Personally, I had no power for nine days, and we had an 8-month-old, a 3 ½-year-old and a 5 ½-year-old living in our home while we were without power. We lived by fireside morning and night until we finally decided the cold was going to be too much for the baby, and then my wife left with the kids."

Yet the entire time, everyone

committed themselves to restoring the agency's capabilities to help its insureds. Bush related that the agency owner, Duffy Keer, and his wife, Jackie (also an employee), suffered flooding to their primary home, their rental property across the street, and lost six vehicles. Keer's sister (another full-time employee) and mother also suffered flooding in their homes. Despite this destruction, "a generator was brought from (Keer's) personal home during the day and then returned at night so he could work on the damage to his own house. We had a power outage for almost a week in the area, but we managed to hook up the generator the day after the storm to turn on power and get the lights and phones working."

Extraordinary lengths

Faced with uncommon adversity, Bush and Keer & Heyer resorted to uncommon measures to keep things running as smoothly as possible. "We had volunteer help from family and friends coming in to help us answer phones and file papers and take messages for the first couple weeks." Bush said the agency still was employing extra help even into January.

Cracco also spoke of pushing himself to serve his insureds in spite of his own personal loss. "It was very challenging to deal with clients, my business and my house. It was probably the most stressful time in my life. ... my clients, my staff, my home and my children." Cracco noted his business has 482 clients who were affected by Sandy.

Photos included in this article by Amy Bryan, CIC



From left, Dennis D'Amico, George Hernandez, Karen Vahey, Amy Bryan, CIC, Nelson Rivera and Michael Plafker clean out a home in Merrick, N.Y.



Water damage from Sandy.

Fries' agency couldn't access the building, but staff showed up for work anyway. "We staffed people here at the building. They couldn't be in the building but we had people sitting in their cars in the parking lot waiting. We knew people might show up saying 'How to file a claim? Where's my policy? What can I do?'"

Amy Bryan, CIC, owner of the Bryan Insurance Agency LLC, in New Windsor, N.Y., was lucky enough not to lose power at her agency, and used technology to make sure as many people as possible could get in contact. "We had stuff up on Facebook and social media to let folks know we were up and running. We had texting capabilities because a lot of cell phone systems were down, but texts would go through." Bryan took a proactive approach of reaching out to her clients, as well. "We were actually specifically reaching out to people we hadn't heard from in areas that we knew got hardest hit."

Malloy told of the outreach his agency did as well. "What we did, as soon as we were able to, which was when we got our power back we ran a list of all of our flood clients and we made phone calls to them to see how they were doing."

McMahon recounted one case in particular that demanded he go the extra mile. "We had an elderly couple," he said. "He is wheelchair-bound and on oxygen. They called in ... it sounded like they were living in a place they shouldn't have been living. We went to visit them. They were OK ... but when we went into their house it smelled awful because it had filled with 15-16 inches of water, maybe even more—up over the (electrical) outlets. But, they wouldn't leave. And, the reason they wouldn't leave is because they needed to vote."

McMahon said his agency visited them Saturday, and the election wasn't until Tuesday. "So, we convinced them and we committed. If we were able to get the county clerk to come in and give them an absentee ballot, would they leave? And they did. We got the county clerk to come in and get their votes cast so they could vote for the president. They hadn't missed a presidential election—or an election. This was very important to them." The agency even went a step further securing the couple a trustworthy contractor to make the needed repairs to their home.

When asked if there were any clients in particular he had to "go the extra mile for," Fries answered characteristically,

"I think we've been going the extra mile for just about everybody who has a claim." Service to the degree of personal involvement such as this exemplifies the difference between independent agents and the direct-writers of the insurance world. Geckos and cavemen don't make house calls.

Personal connection

Bush spoke more of the value of personal connection with clients. "Empathizing with our insureds, because we suffered losses, too, and reassuring people of what steps they can take to mitigate damage while they wait provided many with relief, albeit temporary. This process was very difficult to contend with. We tried to explain what we were hearing from the local municipalities and provide them with a sense of local empathy and understanding, and I feel that common bond helped to assuage their grief somewhat."

Malloy recalled guiding a younger homeowner through his first loss after the storm. "I had a client who had a tree fall on his house, and immediately expected that he was going to have a battle with his insurance company. There was a little bit of hand-holding and assuring him that the insurance companies are really out to



A fallen tree lies on a home in New Windsor, N.Y.



Uprooted trees lie across a home in Glen Cove, Long Island.

do the very best they can, despite what people have heard at cocktail parties.” Malloy said the homeowner called him back after a few days after meeting with the adjuster. “He told me how impressed he was with the fairness and the ease of doing business with the company.”

Cracco also spoke positively of carriers’ response to the storm. “Any carrier that we called up needing information from, they assisted us. Nobody ran away from it. Nobody disappointed us.” Fries concurred, noting that many carriers were proactive in reaching out to his agency. “Almost every carrier, most of our major carriers were terrific. They called us. They knew we would have a problem. A lot of carriers called me and said, ‘Hey, are you guys OK? Is there something we can do for you? Do you need space? Do you need computers? What can we do to help you?’”

As for his connection with his clients, Fries saw the effect of his personal relationship with clients firsthand. “I drove down to their house or business, took pictures ... even though there was not much I could do right then and there, just having somebody, other than their own family, walk in and talk to them and say ‘Don’t worry’ ... that was

helpful, and that eased the pain a little bit. To have somebody in there they trusted was good.”

Donna Wittemeyer, of Zongrone Agency in Schenectady, N.Y., provided assurance to a client of hers who was out of the country when the storm occurred. “He came home to a flooded home, half the shingles off the roof, and his car was on his neighbor’s front porch. When he called, he was, needless to say, very upset. We talked for a while as he explained the situation, which gave him time to calm down a little.” Wittemeyer walked him through the claims process and kept him informed of each case’s progress. She later received a note of gratitude from the homeowner, stating, “Thank you for the assist with this. You lowered my stress level and blood pressure as well as raising my spirits. Bless you.”

When aiding her clients, Bryan noticed the benefits of such a connection went both ways. “We let them know the company was going to work on it hard for them with their claims. If they had problems or paperwork that they didn’t understand (we told them) to call us and let us know and walk them through the process. A lot of it was hand-holding. It wasn’t just the relationship we had,

but it also strengthened the existing relationship.” Professional, independent agents know that getting personally involved in their clients’ well-being isn’t a hassle—it’s an opportunity to earn their trust and loyalty.

Community recovery and outreach

Agencies strengthened their reputations in their communities as well, contributing greatly to various relief and rebuilding efforts. When recovery was beginning, Cracco’s agency provided free insurance consultations to anyone who needed advice. “We hung a sign in front of our agency right after the storm and said, ‘If you’ve been affected by the flood or windstorm, whether you’re a policyholder or not, we’ll answer any questions for you.’”

McMahon mentioned his staff’s involvement in OCNJ Cleanup And Recovery Effort, helping victims move items out of their houses. He also received a phone call from Greene-Hazel Insurance Group in Jacksonville, Fla., which wanted to work with his agency to donate to a hard-hit New Jersey family before Christmas. “We reached out through the Ocean City Chamber of Commerce and OCNJ C.A.R.E. and

The PIANJ/PIANY Joint Annual Conference will offer the panel discussion: *Super Lessons Learned from a Superstorm*. The panel will consist of representatives from national and regional carriers, and agents from New York and New Jersey whose companies were hit by Sandy. Glenn Tippy, CPCU, CLU, of GBW Insurance, Flanders, N.J., will moderate the discussion.

Of primary concern is how agents, companies and clients can be better prepared for a future disaster. Participants will highlight lessons that were learned from the impact of Storm Sandy, as well as other major hurricanes such as Katrina and Rita. What has been learned about the National Flood Insurance Program? How can agents and companies change their processes, enhance their disaster planning systems, and/or utilize new technology to better serve their clients after a disaster? How can they better help clients prepare?

Enterprise risk management is critical to be fully prepared for business continuity in the event of a catastrophe. This informative panel discussion is critical for those who want to be able to lead their business and their clients out of danger when the next disaster strikes.

For more information on how to register for the 2013 Joint Annual Conference, watch the PIA website.

PIA's Webinars cover disaster protection and preparedness

Insurance and coverage issues, future disaster preparedness and E&O claims prevention are three of the key concerns agents must address in the aftermath of Sandy—and in order to be better prepared if another disaster hits the area.

PIA has prepared a series of CE Webinars to focus on these and other disaster-related issues, presented by nationally recognized flood and agency management expert Rita Hollada, CIC, CPCU, CPIA. Each Webinar is appropriate for agency management as well as agency sales and service personnel.

Classes include:

Avoiding E&O in Writing Flood Insurance^{FF-UM} will review NFIP rules and procedures of concern to agents and policyholders; explore common causes of E&O claims against agents for failure to advise the insured of unique definitions, limited scope of coverage as well as alternative coverages; and enumerate practices to prevent E&O situations at the agency level. Real-life claim scenarios will be reviewed. **Tuesday, March 5, 2013.**^{FF-UM}—*This course has been approved for E&O loss-prevention credit for Fireman's Fund and Utica Mutual.*

Disaster Planning: Preparation for the Next Disaster will focus on ways you and your agency can be better prepared for any future disasters—natural or man-made. This program will help you to develop a plan to mitigate damage to your home, your agency and your community; and ensure that your agency is able to operate effectively without power, phone service, Internet connection or even access to your agency building. PIA's Disaster Planning Manual and other resources will be reviewed. **Tuesday, March 19, 2013.**

Both of these courses, and a course that ran in February, *Lessons Learned from a Superstorm*, will be available on demand. For more information, or to register for a Webinar, log on to the PIA website, click the "Education" tab and then select "PIA CE-approved Webinars."

found a family. My sister went out and bought what was on their wish list. And the agency said it came up with \$1,000 and said 'Go buy gift certificates' and sent a check to the agency as reimbursement."

Bryan talked passionately about how she and her staff felt like they needed to do more to help people, so she, another agent and some local businesses started a Facebook page to collect items and organize aid efforts. "Our agency and a couple others were drop-off points to collect items," she said. Bryan's team donated their knowledge as well as supplies. "While we were driving around there, handing out coats and blankets and cleaning supplies to families, a lot of what we were also doing was answering insurance questions—on how the process works, how FEMA works, how the flood program works ..."

Bryan also helped coordinate efforts with volunteers who came forward. "We were providing a lot of information, too, to people who wanted to help and wanted to donate their time to people who were affected."

Lastly, she noted that her team also did some grunt work: "We also helped clean out homes that were damaged when the people couldn't afford to have contractors come in. We helped clean out and tear out; we did demolition work on a few different homes."

This illustrates the fundamental divide of our industry. There are the attentive, caring people representing professional, independent agencies, and there are behemoth corporations represented by actors and mascots that are in it for the business. Both can sell someone a policy, and both can compensate an insured fairly for a covered loss, but only an agent can physically stand at someone's side after they've lost their house, assure them it will be OK, offer a hug if it's needed, help rip up carpets, provide a hot meal, or do the countless other things that agents do that are never advertised and will never be printed on a policy. Sandy was latest example of this, but it will not be the last. 

Cordes is PIA's member information specialist.