

North Carolina Department of Insurance

Adjuster Activities Requiring a License and Non-licensable Administrative Activities

N.C.G.S. 58-33-10 "Adjuster" means any individual who, for salary, fee, commission, or other compensation of any nature, investigates or reports to his principal relative to claims arising under insurance contracts other than life or annuity. An attorney at law who adjusts insurance losses from time to time incidental to the practice of his profession or an adjuster of marine losses is not deemed to be an adjuster for purposes of this Article. *(Emphasis added.)*

Please be advised that North Carolina **has not adopted** the NAIC Independent Adjuster Licensing Guideline (also referred to as "NAIC Adjuster Model Law" or "GL-1224"). Nevertheless, if you are performing the activities that are listed below as licensable "adjuster acts", you may still be exempt from the requirement to hold an adjuster's license if:

- You do not receive a salary, fee, commission or any other form of compensation of any nature related to your actions, or
- You are an attorney at law who adjusts insurance losses from time to time incidental to the practice of his or her profession, or
- You are an adjuster of maritime losses.

NOTE: This chart is not intended to be exhaustive of all duties requiring an Adjuster's License.

<u>ACTIVITIES</u>	LICENSABLE "ADJUSTER" ACTS	NON-LICENSABLE "ADMINISTRATIVE" ACTS
Sending out helpful hints, where the document is standardized except for the recipient's name and address and the date.		X
Providing routine factual information to a 3 rd party attorney such as social security numbers or contact information.		X
Providing factual information to a 3 rd party attorney that goes beyond routine factual information such as social security numbers or contact information, where this information may affect the adjustment of the claim. <i>(Examples include but are not limited to: theory of liability, witnesses unknown to claimant attorney, prior claims history, or punitive potential based factors such as cell phone use or blood alcohol level.)</i>	X	

<u>ACTIVITIES</u>	LICENSABLE "ADJUSTER" ACTS	NON-LICENSABLE "ADMINISTRATIVE" ACTS
Requesting information from a 3 rd party attorney concerning only basic contact or biographical information. <i>(Examples include but are not limited to: name, address, contact information, and occupation.)</i>		X
Requesting information from a 3 rd party attorney that goes beyond basic contact or biographical information, particularly if this information will be used for liability determination or claim adjustment. <i>(Examples include but are not limited to conversations with a claimant's attorney concerning coverage, liability, value, nature and extent of injuries or vehicle damage.)</i>	X	
Having a discussion about a claim with a 3 rd party attorney, claimant, or other party that includes inquiring into or exchanging information about substantive issues regarding the claim that might be used to determine liability or damages.	X	
Scheduling appointments for adjusters to have discussions or interviews with witnesses or claimants.		X
Relaying coverage limit information as it appears on the policy.		X
Discussion of policy information that goes beyond simply relaying coverage limit information as it appears on the policy. <i>(Examples include but are not limited to: Explaining what could be covered under comprehensive versus collision or property damage, excess coverage, other policies potentially in effect, discussing whether coverage is in effect and applies to the loss in question.)</i>	X	
Explain, discuss, or interpret coverage, rates, analyze exposures or policies, or give opinions or recommendations as to coverage or claims adjustment.	X	
Processing loss payments, where a licensed adjuster has reviewed the file and put specific monetary authorization amounts (limits) in the file, and where the loss payment does not go over the amounts already authorized by the licensed adjuster.		X
Processing expense payments, such as for independent adjusters, engineers, legal fees, MVRs, etc.		X
Reviewing bills, medical records, police reports, and other file documents for the purpose of investigating a claim and claim adjustment.	X	
Reviewing bills, medical records, police reports, and other file documents for clerical accuracy, for example, to confirm that these belong to the appropriate claimant or relate to the correct claim.		X

<u>ACTIVITIES</u>	LICENSABLE "ADJUSTER" ACTS	NON-LICENSABLE "ADMINISTRATIVE" ACTS
Determining that policy limitations are likely to be reached or have been reached.	X	
Sending out "exhaustion of limitations letter", where a licensed adjuster has determined that policy limitations letters have been reached and this has been documented to the file.		X
Explaining the difference between filing a claim as a 1 st party insured versus going through a 3 rd party carrier (subrogation).	X	
Updating injury or treatment status by means of inquiry.	X	
Entering liability analysis into the file notes.	X	
Sending out "total loss" paperwork, where the total loss assessment was already determined by a licensed adjuster and documented to the file.		X
Gathering and obtaining facts by special investigations unit (SIU) staff doing a social media or web search for purposes of an investigation.		X
Investigating facts related to a claim by doing a social media or web search for the purpose of determining eligibility for claim payment.	X	
Sending a standardized form asking the recipient to contact the insurance company related to the claim (initial mailing or emailing of the form).		X
Collecting information, beyond basic biographical information, from a person related to a claim. (This applies whether or not that person made contact with the insurance company, or the insurance company made contact with that person.)	X	
Collection of information by special investigations unit (SIU) staff for purposes of an investigation.		X
Collection of information sufficient to complete a First Notice of Loss form.		X
Evaluating or reviewing a claims file and determining what information should be transmitted to a 3 rd party carrier related to a subrogation claim, as this requires judgment that may involve a determination of liability.	X	
Sending out information to a 3 rd party carrier related to a subrogation claim, where a licensed adjuster has already identified what information should be sent out.		X

<u>ACTIVITIES</u>	LICENSABLE "ADJUSTER" ACTS	NON-LICENSABLE "ADMINISTRATIVE" ACTS
Authorizing closure of a claims file upon the request of the insured or a 3 rd party claimant, where an analysis must be performed to determine whether it is appropriate to close the file.	X	
Confirming receipt of documents needed for the file.		X
Confirming that documents have been scanned into and stored in the system.		X
Checking the status of completion of vehicle or building repairs, where there is not a discussion of additional coverage or authorization of additional coverage.		X
Discussion of coverage related to vehicle or building repairs or satisfaction with vehicle or building repairs, authorizing additional repair coverage, or authorization adjustments.	X	
Securing payoff figures and related documents from a lienholder.		X
Analyzing or evaluating information related to payoff figures or other lienholder information that relates to assessment of claim liability	X	
Review of file by SIU (Special Investigation Unit) for purposes other than adjusting losses or determining claim payments.		X
Review of a claims file by a manager or supervisor for the purpose of assisting in the adjustment of a specific claim.	X	
Review of a claims file by a manager or supervisor for purposes of executive, administrative, managerial or clerical duties or any combination thereof, where the review of the claims file does not involve the investigation, negotiation, or settlement of claims with policyholders, claimants or their legal representative.		X
Determining whether an inspection is needed.	X	
Recommendation by SIU staff person to a licensed adjuster concerning whether an inspection is needed.		X
Setting up (scheduling) an inspection upon request by insured/claimant, or setting up (scheduling) an inspection where a licensed adjuster has already determined that the inspection is needed.		X
Determining if a rental car is needed, or authorizing an extension of a rental vehicle	X	
Writing estimates	X	
Taking statements (beyond merely collecting contact information or basic biographical information). This would involve taking recorded or non-recorded statements that collect substantive information that may be used to determine liability or adjust a claim.	X	

<u>ACTIVITIES</u>	LICENSABLE "ADJUSTER" ACTS	NON-LICENSABLE "ADMINISTRATIVE" ACTS
Special Investigations Unit (SIU) staff taking statements for purposes of an SIU investigation.		X
Determining whether an expert is needed for purposes of claims adjustment. (Examples include but are not limited to: An outside attorney, a forensic accountant, a cause-and-origin specialist, etc.)	X	
Determining of whether an expert is needed by a special investigations unit (SIU) staff person related to a SIU investigation.		X
Determining whether an Examination Under Oath (EUO) is necessary for purposes of claims adjustment.	X	
Recommendation by SIU staff person to a licensed adjuster concerning whether an Examination Under Oath is necessary for purposes of an investigation.		X