



The Fire Is Out. Now What?

By E. Metts Hardy, IAAI-CFI, CFEI, CHMT, EFI Global

What does the insurer do once the fire is out? Normally, the property loss notice is submitted by the insured as soon as possible to begin the adjustment process, collect for damages, and get life back in order. The insurer takes this information and relates it to the adjuster, who then investigates and settles the claim. In fire losses, many times the adjuster will seek the services of a fire investigator or other expert to assist in determining the cause of loss so he or she can make an informed decision as to how to proceed with adjusting the claim. But the expert assigned to a certain loss can make all the difference in the world in how a claim is settled and whether there is an avenue for recovery of insurance funds or protection in potential liability claims.

Clients often call seeking advice about the type expert they need for a particular loss. Should an engineer be assigned initially, or should a fire investigator be the first call? Of course, this is somewhat dependent on the particular loss. If the loss involves fire damage, typically it is assigned to a fire investigator first to determine the facts surrounding the loss and the forensic evidence available. The origin first must be established and potential ignition sources exposed before a determination can be reached. But are all fire investigators the same?

At a time when cost controls are critical, one must assess the value of a particular expert given the investigation dollars spent both during and after the loss. If cost is a guiding consideration in the use of a particular expert, opportuni-

ties for recovery, repair costs, or post-fire exposure can be missed. While everyone in business today understands the importance of controlling costs, care should be taken to avoid those hidden surprises after the fire is out.

Today's expert fire investigator or engineer must understand and employ modern techniques to the investigative process and see behind the charring to recognize the details and nuances of the loss. Fire investigators must be experienced and properly credentialed in order to demonstrate their knowledge and ability to support the conclusions during a rigorous challenge. Care should be taken to ensure the vendor can recognize all of the potential risks and needs to manage the claim.

Today, the guiding standard of care in fire investigation comes from two primary documents published by the National Fire Protection Association (NFPA). *NFPA 1033: Standard for Professional Qualifications for the Fire Investigator* establishes the requisite knowledge an investigator must have to be considered a professional fire investigator. It also contains 16 topics of specialized knowledge that the fire investigator "shall" possess above a high school level. The second document, and probably the most recognized, is *NFPA 921: Guide to Fire & Explosion Investigation*. *NFPA 921* sets forth the methodology and use of the scientific method in fire investigation. The scientific method should be applied in both the origin analysis and cause analysis by formulating working hypotheses and then testing each hypothesis

to disprove it down to the exclusion of one—the final hypothesis. The expert may have a basic knowledge of these documents, but does he have an understanding of the information and how to employ it in the investigation?

An incomplete fire investigation can miss potential opportunities to identify acts of fraud or recovery potential. The improper processing of a fire scene, lack of documentation and collecting of potential evidence, or failure to employ the latest techniques can negatively impact the insurers' opportunities years later when the claim is in litigation. Shortcuts can, and likely will, doom the case. The expert must demonstrate the proper methodology throughout the origin and cause investigation and be able to articulate conclusions and opinions.

Once the origin and potential cause for the fire have been identified, it may be necessary for the investigator to recommend or use engineering analysis to support the conclusion or perhaps determine the viability of the remaining structure along with potential asbestos issues, water migration, repair protocols, or mold remediation. Being versed in recognizing these potential hazards or having an engineering support structure in place can avoid potential issues that could impact the extent of the loss later in the claims process.

Having a knowledgeable and experienced investigator with the proper credentials to assist the adjuster in the investigation of the claim can avoid serious issues once the fire is out.

A SPECIAL REPRINT

© Entire contents copyright 2015 by *Claims Management* magazine, a publication of The CLM. All rights reserved.