

THE APPEALS PROCESS

The Appeals process for the Associations is outlined in the General Statutes which created each of these Plans. For the North Carolina Insurance Underwriting Association (Beach Plan) the specific Statute is General Statute § 58-45-50. For the North Carolina Joint Underwriting Association (FAIR Plan) the statute is General Statute is § 58-46-30.

Many times when the Association receives a letter of appeal, there is additional information with that letter. There are times that Staff with that information can make a decision which will allow us to provide what the appellant is requesting or a reasonable acceptable alternative.

When Staff is not able to satisfy the request the appeal moves into the first of three possible steps.

Step 1. The Appeals Committee of the Association.

These are three (3) person committee of each Board which hears the information from the appellant (any person (s) or anybody having an interest in the Association's decision.) This is an informal process. If the appellant chooses he need not be present. He/She can merely send a letter stating their information and their side of the situation. The appellant may appear in person and may appear with any other representatives such as their attorney, insurance producer, realtor, etc. This is an informal hearing. There is no court reporter or recording of the procedure. There is no testimony kept at that time. There are minutes kept and they are part of the record of the Association. After the committee meets, the appellant is usually informed of the decision within about a week.

Step 2. The Department of Insurance

If either the Association or the appellant are unsatisfied with the decision of the Appeals Committee that decision may be appealed to the Department of Insurance. This is a more formal hearing. There is a sworn testimony and a Court Reporter creates a record of the proceedings. There is a need to present a written statement of case, usually it is advisable that both parties be represented by legal counsel. The procedures for this hearing are specifically outlined in the General Statutes.

Step 3. Wake County Superior Court

General Statute § 58-2-75 gives the direction as to the Appeal process for all persons or insureds aggrieved by any order or decision of the Commissioner.