



# PERSPECTIVES

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## **Effective Review of Mitigation Invoicing: Why Communication & Transparency Are Key**

Our perspectives feature the viewpoints of our subject matter experts on current topics and emerging trends.

## INTRODUCTION

What does an effective review of a mitigation invoice look like? Often the answer may seem subjective, but when a consultant is analyzing mitigation invoicing, a successful resolution relies heavily on communication and documentation. Getting a consultant involved on a mitigation project from the onset allows for mitigation-focused questions to target a range of factors that can impact the overall cost, complexity, or scope of mitigation work. Setting expectations at the forefront of a project provides a better understanding of what is being done and provides clear expectations for what specific information and documentation are appropriate.

Additionally, obtaining initial information while the work is in progress can help identify whether other components of the job are involved, such as mold remediation, contents that may require specific arrangements for moving, packing and storage, or asbestos abatement, all of which may require additional coordination, budgeting, and expertise for those services.

## DOCUMENTATION: THE BACKBONE OF ANY REVIEW PROCESS

The extent of damage or complexities that may arise during a mitigation project can alter the original scope and cost of the project. A consultant's involvement from the beginning allows for detailed communication with the contractor to discuss project timelines, changes in scope, invoice methodology, required support documentation, project-specific resources, equipment usage, and more. Real-time updates throughout the project, including job conclusion and receipt of the final billing, safeguard against invoicing surprises.

Consultants may also utilize the request for information (RFI) process to request various supporting documentation from the mitigation contractor and/or insured to assist in supporting all mitigation costs. Going through the RFI process at the beginning of a mitigation project gives all

parties the opportunity to gather the requested information and ask questions as they arise.

Some of the requested information may include but is not limited to:

- Executed work authorization and rate-sheet.
- Daily activity reporting.
- Scope changes.
- Daily crew timesheet logs, material usage, and equipment tracking.
- Subcontractor bids and invoices.
- Reimbursable receipts.
- Moisture mapping.
- Detailed psychrometrics.
- Moisture content logs.
- Industrial hygienist (IH) reporting and testing.
- Photographs (damage; equipment; demo; or special conditions).

## TRANSPARENCY: THE KEY TO TRUST AND UNDERSTANDING

The expectation on any project is that all parties are transparent. Clear and honest communication allows immediate attention to, and efficient handling of special or uncommon circumstances. Examples of such situations include environmental exposure, limited resources, logistical challenges, unique drying requirements, occupancy issues, or multiple shift requirements.

Having awareness of all project services the contractor is providing onsite (mitigation, reconstruction, abatement, mold remediation, pack out/storage, content cleaning, fire/smoke remediation) can assist in understanding all the project costs and invoices that may require analysis. This also allows the contractor to document the project based on industry standards and client requests. For example, a restoration project may require tenants to be temporarily relocated. These pack-out and pack-back services provided by the mitigation contractor are typically invoiced separately and require separate analysis.

## CONCLUSION: THE PATH TO POSITIVE RESOLUTION

The basis for positive resolution centers around communication, documentation, and transparency. Ultimately, the final invoice received should align with the scope and documentation that has been discussed throughout the project. The outcome of the actual invoice analysis should not be a surprise if there has been communication with clear expectations set up front. When all the requested information is received, the involved parties are open to discussion, and invoicing is based on reasonable market conditions, the analysis process can be completed smoothly with a successful resolution for all parties.

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