

**What
Is An
Insurance
Company?**

Auto, Home, Renters Insurance

- Purpose is to make you whole should you have a covered loss, not for you to make a profit
- What is whole? That depends
- Insurance is not a savings account!



AUTO Declarations Page

Coverage detail for 2014 Toy. Truck Tacoma





Coverage	Limits	Deductible	Premium
Personal Injury Protection		\$0	\$47.45
Death Benefit	\$5,000 each person		
Aggregate Medical Expenses (Emergency or Non-Emergency Medical Condition), Income Loss and Loss of Services	\$10,000 each person		
Medical Expenses Limit:			
Medical Expenses - Emergency Medical Condition	\$10,000 each person		
OR			
Medical Expenses - Non-Emergency Medical Condition	\$2,500 each person		

PIP – Personal Injury Protection



The sum of Medical Expenses, Income Loss and Loss of Services benefits cannot exceed the aggregate \$10,000 limit.

 Auto Collision Insurance	Actual cash value	\$1,000	\$56.72
 Auto Comprehensive Insurance	Actual cash value	\$1,000	\$34.37

Your Car Damage - ACV

Automobile Liability Insurance		Your Liability + defense	
 Bodily Injury	\$250,000 each person \$500,000 each occurrence	Not applicable	\$138.98
 Property Damage	\$100,000 each occurrence	Not applicable	\$49.35
 Rental Reimbursement	Not purchased*		
 Towing and Labor Costs	Not purchased*		

Uninsured Motorists Insurance for Bodily Injury	\$250,000 each person \$500,000 each accident	Not applicable	\$119.90
Uninsured Motorists Insurance	limits of insured vehicles may not be stacked.	The Other Guy – key to protect yourself	

 Automobile Medical Payments	Not purchased*		
Lease/Loan Gap	Not purchased*		
New Car Expanded Protection	Not purchased*		
Repair or Replacement Cost Option	Not purchased*		
 Sound System	Not purchased*		

(continued)

Four Main Sections of Coverage

Personal Injury Protection - PIP

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PIP – personal injury protection
 Required limits – no fault
 Applies to you
 14 days to seek medical attention

The sum of Medical Expenses, Income Loss and Loss of Services benefits cannot exceed the aggregate \$10,000 limit.

- **First to pay medical**
- Covers you even if you are at fault
- Walking, riding a bike, struck by or driven off the road by another vehicle
- **Exhausts quickly**
- 20% co-insurance – means you pay 20%, so if the cost are 12,000 – Insurance pays 10k, you pay 2k
- Auto Medical Payments – covers the 20% if you select that option – IMO not worth it
- 14 days to file a claim otherwise reduced to 2,500

Your Auto Damage – Damage to your vehicle





 Auto Collision Insurance	Actual cash value	\$1,000	\$58.41
 Auto Comprehensive Insurance	Actual cash value	\$1,000	\$38.20

Crash - and Vandalism Actual Cash Value –ACV

- Means – most likely you would owe more than the value of you vehicle in a total loss.

Your Liability – protects you against law suit and award

Automobile Liability Insurance

 Bodily Injury	\$250,000 each person \$500,000 each occurrence	Not applicable	\$120.02
 Property Damage	\$100,000 each occurrence	Not applicable	\$45.14
 Rental Reimbursement	Not purchased*		
 Towing and Labor Costs	Not purchased*		

- Includes property other than your auto *and* liability – harm to others.
- Includes your legal defense up to the limit – insurance companies will go beyond that amount for legal
- Ask yourself – what can you afford to lose if IT gets really bad.
- Generally claims are settled based on available insurance of all parties involved
- Liability can be split between both parties. EX: The accident was your fault but the other driver was intoxicated

Danger In The Real World:

- **The minimum liability in Florida is ONLY 10,000 liability**
- **Some drivers will get the minimum to get their license back then never make another payment – ZERO liability insurance. *Ever wonder why people drive so slow in Volusia county***

Uninsured / Under Insured Motorist

Uninsured Motorists Insurance for Bodily Injury	\$250,000 each person \$500,000 each accident	Not applicable	\$133.79
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Uninsured Motorists Insurance: limits of insured vehicles may not be stacked.

- Protects you from those that have no or limited insurance.
- Think what would happen if the other vehicle was at fault and you were seriously injured and they had no insurance. The medical bills could bankrupt you

Consider a stacked policy

Your Auto Liability 100/200

Wife's Auto Liability 100/200

Stacked 200/400

Limits are increased for either vehicle involved

This is relatively inexpensive coverage

This IMO is the most important coverage!

Real Life Personal Example

Oct 2018 – Walking to truck I was struck by an auto that was backing out of a parking spot. I was thrown to the ground and ended up having a torn MCL in my left knee and had surgery in early April.

This is how the insurance played out – first pay to last

- *My policy 10,000 PIP personal medical – this was quickly exhausted*
- *At Fault Policy -250,000 At fault drivers liability - Lucky*
- *My Policy - 50,000 my UM coverage*
- 310,000 Total insurance amount to me excluding legal but including all medical. Some exceptions.
 - My medical to date -30,000
- Ask Yourself – what if the at fault party only had 50,000 in liability or worse none. That is 110,000 total insurance.
 - My PIP – 10k
 - At fault – 50k
 - My UM – 50k
- Lawyers look at the total possible award. If it is low they will pass you to a bottom feeder.
- A note about the Insurance Big Box firms – they are puppy mils. Ask what percent goes to trial – Morgan states their lawyers must take to trial 2 (yes only 2) cases a year.

The Lawyer

Recognize these Guys?



IMO

- Puppy mills – churn an burn
- Insurance companies KNOW they settle – they love these guys
- IMO – in cahoots with Doctors and Insurance co's
- Doctors pad their bills
- You end up with I guess 30%

In 2014, a judge ruled that advertisements like these were legal, but they're still tasteless. Dan, please end this campaign.

All I got when I fired Dan was my medical records – which I already had SICK

Homeowners

Homeowners Insurance

HO3 Policy for Most

Coverage is provided where a premium or limit is shown for the coverage.

SECTION I - PROPERTY COVERAGE	LIMIT	SECTION II - LIABILITY COVERAGE	LIMIT
COVERAGE A - Dwelling	\$301,000	COVERAGE E - Personal Liability	\$300,000
COVERAGE B - Other Structures	\$30,100	Each Occurrence	
COVERAGE C - Personal Property	\$137,000	COVERAGE F - Medical Payments to Others	\$5,000
COVERAGE D - Loss of Use	\$60,200	Each Person	

BREAKDOWN OF PREMIUM:

<u>Charges</u>	<u>Limit</u>	<u>Premium</u>
Section I and II Premium		\$2,065.00
Age of Dwelling Surcharge		\$157.00
Catastrophic Ground Cover Collapse Coverage		Incl
Limited Fungi, Wet or Dry Rot, or Bacteria Coverage (Each Loss/Aggregate)	\$10,000/\$20,000	Incl
Coverage E Aggregate Sublimit	\$50,000	
Loss Assessment Coverage	\$1,000	Incl
Personal Property Replacement Cost without Holdback		\$204.00
Screened Enclosure Special Limitation (Total Limit)	\$35,000	\$210.00
Emergency Management Preparedness and Assistance Trust Fund (EMPAT) Fee		\$2.00
Managing General Agency (MGA) Fee		\$25.00



POLICY NUMBER
E003526612

DEDUCTIBLE (Section I Only):

The Calendar Year Hurricane Deductible is \$6,020 (2% of Coverage A).

The All Other Perils Deductible is \$2,500.

- In case of loss under Section I, we cover only that part of the covered loss over the deductible stated, unless otherwise stated in your policy.

Coverages

- “A” Dwelling –
 - Covers the home and anything permanently attached to it
 - Must insure to at least 80% of its value- or coinsurance applies
- “B” Other Structures
 - Detached structures – garage
 - Fencing
- “C” Personal Property – Your Stuff
- “D” Loss of Use
- “E” Liability – can be tied to auto

What I have seen

- **Coverage A - Dwelling**
 - Not enough coverage
 - Not enough mold coverage
 - Examples to follow
- **Coverage B – Other Structures**
 - typically 10% of coverage A – Is that enough for your situation
 - Pool Cages – Underinsured – Separate endorsement
- **Coverage C - Contents**
 - Failure to have replacement cost coverage - RCV
- **Coverage D – Loss of Use**
 - Do you need more? – I don't

Examples – Fire Claim Total Loss



- Fire Breached the roof in three rooms
- Don't enter after the fire - requires a respirator – any fire
- Smoke/soot enters everything – Electronics, ceiling fans etc.
 - They should all be replaced – RCV coverage – even in smaller fires
 - Insurance co may try to clean electronics – resist
 - **Everything** must be cleaned or sealed
 - Do you have somewhere to go? Loss of Use coverage
- Result: Paid the policy limit 176,000. It was listed for sale close to that amount
- But what if they wanted to re-build? Not near enough insurance. Rebuild price > 250,000

***Total Loss Claims are Tricky
You Must Insist on an Experienced Adjuster***

Mold Claim Not Enough Coverage



- Confined to one location – master bath
- Entire home and all contents exposed
- 100k - possible claim

Don't

- Tear out the wall – if you suspect mold call your insurance company.
- Don't try to stop the leak – shut the water supply off
- Remediation company

***Mold Claims are Tricky
You Must Insist on an Experienced Adjuster***

Hurricane



My Advice

- **FIRST** - Be the first to call in your claim – don't wait – *more on this later*
- **TAKE** –
 - Current photos before and after the storm
 - Camera set to time stamp on image
 - Ideal take images of the label on a device
 - Take video when safe
- **KNOW** - your coverage, limits and policy, secure the policy card – you won't need the policy document

A Word About Debris Removal

It has to hit covered property A or B

The Adjuster Friend or Foe

“It Depends”

- **It depends**

- Is he/she independent or staff adjuster? Ask
- Experienced? Ask
 - Xactimate Estimating platform 90%+
 - What is their Certification level
 - Number of prior claims
- Ask for proof of license – if they don't have one call the police and insurance company
- Follow the adjuster and take notes even photos
 - Note how long was H/S on the roof
- If you are not satisfied ask for a different adjuster
- Ask for the adjusters field report – you wont get it with the package that the insurance company sends you

- **CAT – Report Immediately**

- A rated deployed first – you want an A adjuster
- Irma – Real estate agents licensed as temp adjusters. One million claims
- You can not request a specific adjuster just a new one
- Take lots of photos!!!
- Protect from further damage

- **If not satisfied ask for a re-inspection**
- **Ask The insurance company for the adjuster field report**

Public Adjusters

- Do you need one? Depends
- Paid 20% of claim – is it worth it? ... It Depends
- IMO – most insurance companies want to do the right thing. Simply ask for a re-inspection first and compare the difference, then decide.
- The re-inspection will be done by a qualified and experienced adjuster. H/S will most likely get it right. You gain 20%

Roofers

- Trust them? Depends
 - Some will fabricate damages
 - If you allow them to inspect
 - Get business card
 - Photo of inspector, note the date
 - Take photo of license plate while they are on the roof!
 - Watch the inspection
 - If they resist – call the police
 - Check them out – ask for
 - License
 - Proof of Work Comp
 - Internet
- Assignment of Benefits – AOB
 - I did it But.....

Takeaway

- Make insurance part of your prep plans
- Know what you need to protect and why
- Know how to respond to a claim event
- Ask for the Adjuster field report
- ❖ Get a REAL home valuation, not what you could sell it for BUT What it would cost you to rebuild YOUR HOME!
- ❖ In my situation I would rebuild:
 - ❖ Reason: garden, chickens, grove, greenhouse, etc. (all preps in place)

Are you in Good Hands With
IT DEPENDS ON YOU