



Plan Ahead

Are you prepared?

Do you need flood coverage?

Standard homeowners' insurance policies don't cover flood damage. If you live in a flood-prone area, contact your agent about obtaining flood insurance. Depending on your home's location, you may qualify to enroll in the National Flood Insurance Program.

Do you need windstorm coverage?

Some homeowners' insurance policies do not cover damage caused by windstorms, such as hurricanes. If you have trouble obtaining a policy that does, you can check with Citizens Property Insurance Corporation, a state-run pool of last resort, by logging on to www.citizensfla.com or calling Citizens toll-free at 1-888-685-1555. Remember that insurance companies do not accept new applications or requests to increase coverage once a hurricane nears Florida.

Do you need more coverage?

The value of your home and possessions may have increased during the past several years, or you may have made improvements or purchased expensive items such as computers or major appliances. Review your insurance policy and check your coverage limits. Consider increasing your coverage if your policy doesn't cover the value of your home and its contents. If you want to make policy changes concerning wind and water damage, it's best to contact your agent before the start of hurricane season on June 1.

What does your policy cover and exclude?

Standard homeowners' insurance policies usually limit coverage on valuables such as jewelry, silverware, guns, antiques or boats. Check your policy and contact your insurance agent or company with questions, or to request additional coverage.

If you live in a condominium, find out what coverage your condominium association provides. You may need your own policy for the interior of your unit. You also should check the deductible amounts contained in your policy. All policies include deductibles for perils, or causes of possible loss, such as fire, hurricane, hail, etc. In Florida, most homeowners' policies include a larger deductible for hurricane damage and a smaller deductible for other damage.

“Replacement Cost” vs. “Actual Cash Value”

If you bought a television for \$700 in 1993, and it gets destroyed by lightning, a policy written to cover “actual cash value,” would pay an amount reflecting its current value, about \$300. But if your policy is for “replacement cost,” it would pay the complete amount for a new TV of a similar type and size - about \$900.

Most coverage of the contents of your home is written on a cash-value basis. Keep receipts when you buy high-value items such as televisions and computers. You might need this information to verify the age and value of your possessions.

Inflation, renovations and rising property values increase the replacement cost of your home and its contents. Actual cash value may decrease over time.

What about “additional living expenses”?

Additional living expense features of most homeowners' policies pay some expenses for losses that leave homes unlivable during repairs. Such expenses could include limited motel, restaurant and storage costs. Keep all receipts during this period. This feature does not apply to flood insurance.

Civil authorities, such as law enforcement agencies and emergency management services, sometimes issue mandatory evacuation orders that affect thousands of residents. Find out whether lodging and meals are covered if you must evacuate but no damage occurs to your property. Does any deductible or coverage limit apply?

Most policies will provide additional living expense coverage when a civil authority prohibits the use of a residence due to direct damage to neighboring homes by a covered threat. Policies generally offer this coverage without any deductible, and for losses of up to two weeks. If you have any questions, call the Department of Financial Services' toll-free Consumer Helpline at 1-877-MY-FL-CFO (1-877-693-5236).



How to Select an Insurance Agent and an Insurance Company

How to Select an Insurance Agent

When selecting an agent, choose one who is licensed to sell insurance in Florida. Some agents have professional insurance designations such as the following:

- CEBS..... Certified Employee Benefits Specialist
- CFP..... Certified Financial Planner
- ChFC..... Chartered Financial Consultant
- CIC..... Certified Insurance Counselor
- CLU..... Chartered Life Underwriter
- CPCU..... Chartered Property and Casualty Underwriter
- LUTCF..... Life Underwriting Training Council Fellow
- RHU..... Registered Health Underwriter

Make sure you select an agent with whom you feel comfortable and who will be available to answer your questions. Remember: An agent may represent more than one company. To verify whether an agent is licensed, call the DFS Consumer Helpline toll-free at 1-877-MY-FL-CFO (1-877-693-5236).

How to Select an Insurance Company

When selecting an insurance company, it is wise to know that company's rating. Several organizations publish insurance company ratings, available in your local library and on the Internet. These organizations include: A.M. Best Company, Standard & Poor's, Weiss Ratings Inc., Moody's Investors Service and Duff & Phelps. Companies are rated on a number of elements, such as financial data (including assets and liabilities), management operations and the company's history.

Before buying insurance, verify whether a company is licensed to sell insurance in Florida by calling the DFS Consumer Helpline toll-free at 1-877-My-FL-CFO (1-877-693- 5236). Be sure to have the full, legal name of the insurance company when you call.



Application Process

The application process can vary depending on the type of insurance being purchased. However, in all cases the questions on the application must be answered correctly. If incorrect information is given on an application, whether intentional or not, the policy may be rescinded and a claim denied at a later date. If the agent completes the application, make sure you review all the questions and answers before you sign. Also, keep in mind the quote you receive from the agent is an estimate and can be changed by the insurance company.

Things to remember during the application process.....

Auto Insurance

- Make sure all licensed drivers in your household are listed on the application.
- The agent may need to inspect the vehicle or take pictures before coverage can be provided.
- The agent may need a copy of your prior insurance policy.
- The agent may ask for the name and social security number for all listed drivers.

Life and Health Insurance

- You may be asked to take a physical or blood test.
- Keep in mind that coverage may not begin until approved by the insurance company.

Homeowners Insurance

- The agent may ask to take pictures of your home.
- The agent may ask for documentation to prove any updates to the plumbing, wiring, or heating/air conditioning.
- The agent may ask you to have your home inspected for mitigation credits.
- The agent may ask for a copy of your prior insurance policy.
- The agent may ask for the name and social security number for all residents of the household.



Underwriting Process

Once your application for insurance is received by the insurance company, they decide if the applicant or the property is eligible for coverage. All insurance companies use guidelines to determine eligibility. When the underwriting process is complete the company determines the final premium.

The company may review some or all of the following items, depending on the type of policy:

Auto Insurance

The company reviews the type of vehicle, the age of the vehicle, the age of the drivers, the experience of the drivers, the violations received by all drivers, the number of accidents for all drivers, where the vehicle is kept, how the vehicle is used, and how many miles are driven each year.

Homeowner's Insurance

The company reviews the construction of the home (frame, brick, etc.), the year the home was built, the age, type, and construction of the roof, where the home is located, how the home is used, the square footage, whether the home has items that qualify for hurricane mitigation credits, prior claims history, and the existence of prior insurance.

Life Insurance

The company may review your health history, your age, and your occupation to determine eligibility. The company may elect to cover you but exclude benefits if you die from certain illnesses (called riders or exclusions).

Health Insurance

There are instances where an insurance company must issue a health insurance policy regardless of the factors listed here. However, there are instances where the company will base their decision to cover you on the following: Your age, your health history, and your occupation. They will normally ask for proof of any previous health insurance as well which may satisfy any pre-existing condition exclusion in the policy. The company may elect to cover you but exclude benefits for certain illnesses (called riders or exclusions).

When a Storm Approaches

Have a plan of evacuation, including a list of people to contact in the event you need to leave your home.

Home Information:

List individuals to be contacted before and after evacuation (one person should be out of state).

Name:
Email:
Phone Number:
Name:
Email:
Phone Number:

List evacuation route options:

Route One:
Storm Shelter:
Route Two:
Storm Shelter:

Medical Information

Physician's Name:
Physician's Phone Number:
Pharmacy Name:
Pharmacy Phone Number:

Note: If you take prescription medications regularly, you should contact your pharmacy before a storm strikes to get prescriptions filled so that you don't run out.

- List of Necessary Medications
- Health Insurance ID card (s)
- Record of Immunizations/Allergies
- Disabilities Documentation
- Living Will
- Dental Records / Child Identity Cards / DNA Swabs

Make an itemized list of your belongings

Include costs, purchase dates and serial numbers. Attach receipts, especially for “big ticket” items. Your insurance company may require proof of the cost of any item for which you make a claim. Dated photographs or videotapes of your possessions also are good ideas. (see section 2 in Homeowners Insurance Toolkit)

Take copies of your legal, financial and medical documents with you

This should include bank statements, insurance policies, mortgage information, credit card addresses and toll-free phone numbers, wills, birth certificates, passports and medical prescriptions.

Know Your Insurers

Write down the names of your agent and agency, your insurance company, your policy number and telephone numbers to report claims. Remember that the name of your insurance company might differ from that of your agent, agency or underwriter.

Do you have enough cash?

Remember to withdraw money before a pending disaster. Since carrying or keeping large amounts of cash in your home can be unsafe, take out only as much as you’ll need. Financial institutions usually close for at least two days after a direct hit by a hurricane, and ATMs could be out of commission even longer. Be sure to get receipts for cash purchases right before a storm.

Do you have enough credit?

Keep and protect a credit card with an available balance of at least \$1,000. Use credit cards to finance minimal repairs when necessary. Document all these transactions.

Paying bills

If you pay bills by phone or online, try to pay them before a disaster hits, even if they are not yet due. Hurricanes and wildfires could interrupt phone service, causing you to miss payments and incur late charges. If you pay by mail, send payments as soon as possible. The U.S. Postal Service will not pick up mail within 24 hours of a hurricane strike. Keep copies of all payments mailed within three days of a natural disaster, if possible. After a storm, contact those you’ve sent payments to and confirm they have received them.

How can you safeguard your records?

Keep insurance and financial papers in a secure and accessible place like a safe deposit box, or with a relative or friend. Include your insurance policy, inventory records, agent or company telephone numbers for reporting claims, mortgage and other loan contracts and payment records. You might need quick access to this information. If you need to evacuate, take records with you.

Make a pet plan

Inquire in advance how and where you can leave your pets; Specialized pet shelters, animal control shelters, veterinary clinics and friends and relative out of harm’s way are ALL potential refuges for your pet during a disaster. (see http://www.floodsmart.gov/floodsmart/pdfs/Pet_Plan.pdf for additional information)