

Insurance Update



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PERSONAL INSURANCE

Do I Really Need Flood Insurance?

If you're asking, "I live in a low-risk area. Do I really need flood insurance?" the answer is most likely yes.

It's a good idea to buy flood insurance even if you live in a moderate- or low-risk area. Anyone can be financially vulnerable to floods. People living in low-risk areas file over 20% of National Flood Insurance Program (NFIP) claims.

One third of those who did not have flood insurance received disaster assistance. Disaster assistance, when available, is typically a loan that must be repaid with interest.

Unfortunately for many others, disaster assistance was not available and they are struggling to put their property back together.

The average flood loss is approximately \$35,000. For just \$183 you can buy a preferred risk flood policy, with \$30,000 in building and \$12,000 in contents coverage.

Cutting back on one \$3.50 premium latte a week will save you \$182. Which is more important,

protecting your largest investment or an extra cup of coffee?

The chart below shows just how inexpensive protecting your low- to moderate-risk home from flooding can be. Call our office to put that protection in place.

FAMILY RESIDENTIAL BUILDING & CONTENTS COVERAGE COMBINATIONS			
BUILDING	CONTENTS	PREMIUM	
		With Basement or Enclosure	Without Basement or Enclosure
\$20,000	\$8,000	\$176	\$129
\$30,000	\$12,000	\$211	\$183
\$50,000	\$20,000	\$269	\$240
\$75,000	\$30,000	\$315	\$281
\$100,000	\$40,000	\$346	\$312
\$125,000	\$50,000	\$368	\$334
\$150,000	\$60,000	\$390	\$356
\$200,000	\$80,000	\$429	\$390
\$250,000	\$100,000	\$460	\$414

LIFE INSURANCE

Now's the Time to Buy a Long-Term Care Policy

Have you thought about what would happen to you if you either needed to enter a nursing home or required home care services?

As nursing care costs continue to rise and the need for care increases, there is never a better time to purchase a long-term care insurance policy.



heritance to your surviving family members. Without long-term care insurance, the savings that you worked so hard to accumulate can be wiped out in a matter of years. According to the 2012-3013 LTCi Sourcebook, the average national cost for a private nursing care room was \$85,045 per year.

Long-term care policies can be structured to fit your individual needs and offer the following:

- Nursing care, community care or home care options
- Waiting periods of 30, 60 or 90 days
- Benefit periods of 2, 4, 6 or 10 years
- Spousal discount
- Preferred health discount
- Built-in waiver of premium benefit
- Option for 3% or 5% compound rider

Purchasing a long-term care policy will give you peace of mind knowing your inheritance and your loved ones will be protected.

If you have questions on long-term care insurance or you would like to talk about structuring a policy that suits your needs, please call us today!

A long-term care policy is one of the best ways to protect your financial assets, so you can leave your in-

herited to fit your individual needs and offer the following:

BUSINESS INSURANCE

Contents — A Mobile Perspective



An inland marine policy can protect all your mobile business assets, including contents that might not otherwise be covered.

As a business owner, you have furniture, stock or specialized equipment unique to your operation. These “contents” are assets traditionally covered by a commercial property insurance policy.

However, there may be times that these are transported and used off-premises. When this situation occurs, coverage for your assets may be better secured under an inland marine insurance policy.

Let’s say your business contents include scientific instruments that you use at various locations around town. Your com-

mercial property policy limits coverage within 1,000 feet of your location. However, it does offer an additional coverage extension of \$5,000 for contents in transit. (Some limitations will apply, such as loss or damage must be caused by or resulting from fire, lightning, explosion, windstorm, hail, riot or civil commotion, vandalism, and vehicle collision upset or overturn. Loss from theft can be covered from a securely locked vehicle only.)

An inland marine policy, such as a Miscellaneous Property Floater, would serve as a better protection option for

your instruments used away from your main business location. It is designed to insure contents of a “mobile nature.”

When compared with your commercial property insurance policy, there are minimal policy exclusions (when coverage would not apply). Best of all, the price for this mobile protection is very competitive.

Please contact us if you need to review your mobile business asset insurance needs.

BILLING

Using Your Credit Card on Your Business Policy



Using your corporate credit card is an easy way for you to pay your insurance premium.

With insurance premiums being generally higher for a business policy than a personal policy, the ability to use your business’s credit card to pay your premium is an important operating function.

Auto-Owners not only allows you to use your corporate

credit card, but offers many billing options as well. Auto-Owners allows commercial policies to be paid by credit card using the following billing plans: monthly, quarterly, three-pay, semi-annual and full pay.

Some types of commercial policies are also eligible for the A-O Paid-in-Full Discount when you choose the full pay option (contact our office for those policies that qualify). Along with payment plan flexibility, Auto-Owners also accepts Visa, MasterCard, American Express and Discover.

Your ability to choose a flexible billing plan is especially important if your business income fluctuates throughout the year. It can eliminate unnecessary financial burdens.

Owning your own business can create its own challenges and frustrations; however, being able to pay your insurance premium by credit card shouldn’t be one of them. Give us a call to make sure you have the right payment plan for your business.

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