

CONTACT YOUR AGENT:

- Kelly Jo Singleton, Senior Account Representative (A-C)
- April Faber, Account Representative (D-G)
- Kristy Gergal, Account Representative (H-L)
- Tracy Joe, Account Representative (M-Q)
- Jennifer Hoffmann, Account Representative (R-T)
- Laurie Rogers, Department Supervisor (U-Z)
- Christine Jensen, Manager/Vice President

Personal Perspectives

EHD Personal Lines Department

DO YOU REALLY NEED FLOOD INSURANCE?

According to the Federal Emergency Management Agency (FEMA), flooding can cause several billion dollars of property damage in the United States each year. If you are like many homeowners, however, you may be unaware that the standard homeowners insurance policy you buy does not cover flood losses. You may believe that you have a low risk to this peril but FEMA reports that approximately 25 percent of all flood claims occur in communities in which flooding is deemed to be a low to moderate risk. So do you really need a separate flood policy? The following tips and ideas may prove helpful in answering this question.

and select “What’s Your Flood Risk?” which will ask you to enter your home address. This Web site will then specify whether you are in a low, moderate, or high risk area.

- Contact your insurance agent to see if you live in a community that participates in the National Flood Insurance Program (NFIP), a prerequisite in order to qualify for flood insurance. Participating communities must agree to adopt and enforce certain floodplain management regulations, including building construction and zoning laws that minimize the risks of flood damage.
- Note that a flood policy does not take effect until 30 days after you purchase the coverage. Thus, if the local meteorologist announces a flood alert for your community and you try to purchase coverage, it is already too late.
- The maximum limit of insurance in the NFIP for your home itself is \$250,000. If your residence’s value exceeds this amount, ask your insurance agent about excess insurance for losses above the federal policy’s maximum limits.
- Ask your insurance agent to see if you are in a floodplain. Or, if you prefer, go to www.floodsmart.gov

- Don’t assume that the government will bail you out if you suffer a flood loss and don’t have a flood insurance policy. That decision is a gamble you may not win. Remember that federal disaster assistance, if available, is usually a loan that must be paid back with interest.
- Discuss all the pros and cons of flood insurance with your agent before making your final decision.

Get more [personal lines insurance and risk management](#) tips and ideas from IRMI.

Copyright 2008, [International Risk Management Institute, Inc.](#)

INSIDE THIS ISSUE:

DO YOU REALLY NEED A FLOOD POLICY?	1
REDUCING WATER LOSSES	2
MAINTAINING YOUR DRYER	2
WHY YOU NEED UM COVERAGE	2



STEPS TO TAKE TO REDUCE EXPOSURE TO WATER DAMAGE LOSSES

Water damage losses can create severe financial difficulties, particularly since not all water losses are covered by the homeowners policy. There are numerous ways by which you can safeguard your home from water damage losses, including the following.

- Your home's drainage system should be checked to verify that proper water drainage occurs. For example, gutter downspouts should extend the proper distance from the foundation.
- Your yard should be properly graded to slope away from the home to al-

low surface water to adequately drain.

- A sump pump system should be considered in your basement to keep unwanted water out of this vulnerable part of your home.
- Your washing machine hoses should be periodically checked since these hose failures cause millions of dollars of water losses each year. Hoses should be replaced at the first sign of wear. Many adjusters recommend that insureds upgrade to the heavy-duty wire mesh hoses or stainless steel hoses during this replacement.



Get more [personal lines insurance and risk management](#) tips and ideas from IRMI.

Copyright 2008, [International Risk Management Institute, Inc.](#)

MAINTAIN THAT CLOTHES DRYER

According to the U.S. Consumer Product Safety Commission report, there are approximately 10,000 annual residential fire losses in which the source of the fire is in the clothes dryer or vent. Dryers are the third most common type of equipment involved in fires, ranking behind stoves and fixed area heaters. Clothes dryers can catch fire due to excessive lint build-up in the exhaust pipe or inside the dryer; this lint build-up is often out-of-sight. As a result, you should take the following steps to reduce the chance of your dryer starting a fire.

- Follow the manufacturer's instructions when installing the vent pipe.
- Keep the dryer vent clean and unplugged. Check for a plugged vent if the dryer does not dry clothes efficiently.
- Remove and clean the lint screen before each use.
- Keep all combustibles away from the clothes dryer.
- Hire a qualified technician to periodically inspect gas clothes dryers.

Get more [personal lines insurance and risk management](#) tips and ideas from IRMI.

Copyright 2008, [International Risk Management Institute, Inc.](#)

WHY YOU NEED UNINSURED MOTORISTS COVERAGE

Uninsured motorists (UM) coverage provides insurance protection for bodily injury, and in some states property damage, caused by a motorist who is not insured. This coverage allows you to collect from your own insurance company as if it provided liability coverage for the negligent and uninsured driver. In contrast, underinsured motorists (UIM) coverage provides insurance protection for bodily injury, and in some states property damage, sustained by you when a motorist who is

not sufficiently insured negligently causes an accident. The following list provides reasons why you should buy UM/UIM coverage.

1. The chance of a negligent uninsured motorist hitting you is greater than you might think. In some states, up to 32 percent of all drivers lack automobile insurance. The countrywide average is 14 percent.
2. UM and UIM coverage is broad, since it provides benefits for you and your family members' injuries sustained (a) in your own covered auto, (b) in autos you do not own, and (c) as pedestrians.
3. The cost for this coverage is very reasonable, compared to liability coverage and physical damage coverage for your own car. The increased costs for higher UM/UIM limits are quite affordable for most people.
4. If your car is damaged by an uninsured driver, the deductible for UM property damage, if available in your state, is normally only \$250. This amount is often considerably less than your collision coverage deductible.

Get more [personal lines insurance and risk management](#) tips and ideas from IRMI.

Copyright 2008, [International Risk Management Institute, Inc.](#)