



Home Ownership: Claims and Risk Management

Your home represents a big investment financially and emotionally – especially when something bad happens.

The most common claims for Homeowner Insurance result from damages caused by:

- Wind
- Plumbing leaks or backups
- Appliances – leaks and electrical or misuse fires
- Weather – rain, ice, snow, hail
- Theft

While weather incidents account for more than half of all claims, fire results in the most expensive claim costs.

Although you cannot control the weather or other factors that may result in a damage claim, you can practice good risk management to lessen the extent of the damage or eliminate a cause of damage.

- Prepare for severe weather
- Maintain your home
 - Roof
 - Plumbing
 - Electrical
- Follow recommended use practices for appliances and equipment

You can work with your insurance agent to make sure you understand your insurance contract and are adequately insured in the event of a claim. Take time to review and update your insurance policy to include:

- Updates and remodels that increase replacement value
- Home-based business
- Rental suite
- Coverage limits for property items such as jewelry, business equipment, artwork, antiques and collectables, and specialty wines
 - Complete and maintain a home inventory of property

What you need to know about filing a claim:

- If you are the victim of a theft or your home is vandalized or burglarized
 - File a police report
 - Record the names of the law enforcement officers
 - Obtain a copy of the report
- If you need to file a claim:
 - Contact your insurance carrier and your insurance agent
 - Know the time limits of reporting a claim
 - Does your damage exceed the deductible?
 - What are the limits of coverage for specific type of damage?
 - Do exclusions affect your claim?



- “Loss of use” – Does it cover your expenses if you cannot occupy your home and need other lodging?
- Responsibilities
 - Take reasonable steps to protect your property from further damage.
 - Keep all damaged items until the adjuster can review the damage.
 - Take photographs or videotape the damage.
 - Find out if you need to obtain estimates for repairs to structural damage
 - Save receipts for what you spend.
- **After you file a claim:**
 - The insurance company is required to send the necessary claim forms to you.
 - Ask for the time frame as the specific time varies by state.
 - Return the properly filled-out forms as soon as possible to avoid delay.
 - Your insurance company will probably arrange for an adjuster to come and inspect the damage
 - Give the adjuster a copy of your home inventory.
 - Cooperate with the adjuster.
 - The adjuster cannot approve a claim but their report will go to the insurance company.
 - After you and your insurance company agrees on the terms of settlement, state laws require the insurance company to pay you promptly.
 - Ask the insurance company to give you an expected pay timeline.