

CHOOSING YOUR HOMEOWNERS INSURANCE POLICY

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A helpful guide when selecting homeowners insurance, including local rates and common questions.

Understanding Rates:

Insurance companies rate your home based on factors such as replacement costs, the city and/or county where you live, your claims history, your credit history, construction materials and local fire protection.

How to Find the Best Rate:

Shop for the company and agent that offer the best service for the best price. Compare prices. Different companies charge different rates. Get quotes from several companies before you buy. Make sure you understand what coverages and perils are included and that you're comparing equivalent policies.

Ask Your Agent the Following Questions:

- Am I in your lowest-priced company/tier? If not, why not?
- How can I get a better rate?
- What perils/coverage are excluded or limited in the policy?
- May I add the peril/coverage back into the policy?

Agents and Company Representatives:

Some agents may represent several companies, while some agents represent only a single company or company group. Some companies market their policies directly to consumers without using agents. To check as many companies' rates as possible, ask to see all the rates of all the companies the agent or company employee represents.

Before You Buy a Policy, Remember:

- In addition to costs, you should consider other important factors, such as the company's financial strengths and customer service.
- Never cancel your old policy until your new policy is effective. A policy becomes effective only when the insurer or its local agent binds coverage.
- Make certain you answer all questions on the application truthfully. Wrong information could cause an incorrect price quote or a denial or cancellation of coverage.

OKLAHOMA INSURANCE

DEPARTMENT

Five Corporate Plaza

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Oklahoma City, OK 73112 | 1-800-522-0071

www.oid.ok.gov

Ways to Save Money

You can save money on your premiums by increasing your policy deductibles.

However, you'll have to pay more out of pocket if you have a claim.

If you are offered a policy with a large deductible, consider whether you can afford to pay the amount for each claim you file.

You may qualify for discounts on your rate but remember not all companies offer the same discounts.

Discounts that may be available include but are not limited to:

- Impact-resistant (hail-resistant) roofs
- Dead-bolt locks and/or certain other security measures
- Approved electronic burglar alarms
- Smoke alarms, sprinkler systems and/or other fire prevention systems
- Age of your home
- Heating, electrical and/or plumbing updates
- Companion policies such as your auto policy with same company
- Senior citizens
- Personal property identification marking
- Credit Score
- Continued Policy Renewals
- Claims Free Discount

Market Assistance Program:

If you are having problems finding homeowners insurance, you should contact the Oklahoma Market Assistance Program (OK-MAP). OK-MAP can connect you with insurance companies that may be willing to cover your home. For more information, call (405) 842-9883. Web address—www.mapsprogram.com.

Risks Not Covered:

Reading the Exclusionary Provisions is very important. Homeowners coverage does not include floods, earthquakes, back up of sewer and water, home businesses, home daycare, identity theft, nuclear accidents or war. Flood coverage can be purchased separately through the National Flood Insurance Program (NFIP). Ask your agent or carrier for more information or you may contact the NFIP at: 1-888-CALL-FLOOD or www.floodsmart.gov.

Claims:

A policyholder can contact their insurance company and ask about filing a claim or how to file a claim. Companies cannot increase the premium, cancel a policy or refuse to issue or renew a policy solely because a policyholder inquired about making a claim or requesting information about making a claim. For policies in effect for more than 45 days, companies may not cancel, refuse to renew or increase the premium, solely because a first claim is filed against the policy. An insurance policy is intended to protect you from certain claims; however, it is not intended to offset minor claims or routine maintenance issues. Insurers may impose a surcharge or additional premium if you file multiple claims but companies are prohibited from surcharging for weather-related claims.

Cancellation and Non-Renewal:

There is a big difference between an insurance company canceling a policy and choosing not to renew it. Insurance companies can cancel a policy for the following reasons:

- You fail to pay the premium
- You have committed fraud or made serious misrepresentations on your application
- You willfully act in a way that increases any hazard that the policy insures against
- You violate any local fire, health, safety, building, or construction regulation or ordinance that increases hazards
- A change in the risk which substantially increases any hazard insured against
- The Commissioner determines that the continuation of the policy would place the insurer in violation of Oklahoma insurance laws
- The insured party is convicted of a crime having as one of its necessary elements an act increasing any hazard the policy insures against

Nonrenewal is a different matter. Either you or your insurance company can decide not to renew the policy when it expires. Companies shall give policyholders at least ten days notice prior to the date of cancellation and 30 days notice prior to the date of non-renewal. If you think the reason is unfair or want a further explanation, call the insurance company's consumer affairs division. If you don't get a satisfactory explanation, call the Oklahoma Insurance Department at 800-522-0071.

Additional Insurance Information

The National Association of Insurance Commissioners (NAIC) has a web site that provides consumer insurance information for those considering or buying insurance at www.insureonline.org.

Back Up of Sewer and Water Coverage:

This coverage is excluded from most homeowners policies but can be purchased as a rider. Coverage is provided for direct physical loss not caused by negligence of the insured caused by water or sewer that backs up through sewers or drains not caused by flood.

Cost: \$5.98 to \$111 for \$5,000 coverage.

Child Care Liability Coverage:

This coverage provides personal liability for bodily injury and property damage arising out of a home day care service.

**Cost: \$42 to \$104 for \$100,000 coverage.
\$62 to \$152 for \$500,000 coverage.**

Credit Card, Fund Transfer card, Forgery and Counterfeit Money (Increased Limits):

This coverage provides increased limits for the legal obligation of an insured to pay because of the theft or unauthorized use of credit cards or electronic funds transfer cards, loss to an insured caused by forgery or alteration of their check and loss through acceptance of counterfeit money.

Cost: \$2 to \$5 for \$5,000 coverage.

Earthquake Coverage:

This coverage is excluded in the policy but can often be purchased as a rider by endorsement.

**Cost: 6¢ to 35¢ per \$1,000
of the dwelling limit.**

Identity Fraud Expense Coverage:

This coverage is available to pay for expenses incurred as a result of identity fraud. Such expenses include the costs for notarizing fraud affidavits; certified mail sent to law enforcement, financial institutions and credit agencies; lost income resulting from time off work to meet with law enforcement or credit agencies; loan application fees for reapplying for a loan; and reasonable attorney fees incurred to defend lawsuits brought against the insured and to remove criminal or civil judgments.

Cost: \$12 to \$45 for \$15,000 to \$25,000 coverage.

Increased Medical Payments to Others:

This coverage, also known as first aid coverage, provides for increased limits for bodily injury to others. It does not cover the insured or person residing in the household.

**Cost: \$3 to \$29 for \$2,000 coverage.
\$12 to \$29 for \$5,000 coverage.**

Increased Personal Liability Limits:

This coverage provides for increased liability limits for bodily injury or property damages caused by an insured.

**Cost: \$9 to \$96 for \$300,000 coverage.
\$13 to \$140 for \$500,000 coverage.**

Personal Injury Coverage:

This coverage provides liability coverage for slander or libel, generally excluded in regular policy.

**Cost: \$4 to \$50 for \$100,000
to \$300,000 coverage.**

Personal Property Replacement Cost:

This coverage provides payment for losses to personal property at replacement cost rather than actual cash value.

Cost: 2% to 25% of base premium.

Refrigerated Property Coverage:

This coverage is available for property stored in freezers or refrigerators.

Cost: \$3.06 to \$12 for \$500 coverage.

Special Personal Property Coverage:

This coverage provides personal property coverage against all risks with certain exceptions in lieu of named peril.

Cost: 5% to 40% of base premium.

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UNITED SERVICES AUTOMOBILE ASSOCIATION	1366	1512	1730	2146	1274	1411	1616	2010	1284	1409	1595	1962	1203	1321	1495	1842
USAA CASUALTY INSURANCE CO.	1325	1465	1674	2076	1237	1370	1567	1948	1248	1368	1547	1902	1171	1284	1452	1788
	LAW															
AAA FIRE & CASUALTY INSURANCE CO.	F 1	F 2	F 3	F 4	M 1	M 2	M 3	M 4	F 1	F 2	F 3	F 4	M 1	M 2	M 3	M 4
ALLSTATE INSURANCE CO.	734	805	933	1130	687	751	869	1041	718	781	908	1094	671	730	846	1013
ALLSTATE INDEMNITY CO.	813	1266	1901	3014	760	1184	1778	2820	872	1359	2040	3235	815	1270	1907	3024
ALLSTATE PROPERTY & CASUALTY INSURANCE CO.	1382	1953	2971	4770	1291	1824	2768	4448	1515	2141	3266	5237	1416	2000	3044	4888
AMERICAN FARMERS & RANCHERS MUTUAL INS. CO. -HO-8	1537	1832	2285	3078	1509	1797	2242	3019	1374	1636	2038	2741	1350	1606	2001	2690
AMERICAN NATIONAL PROPERTY & CASUALTY CO.	872	1091	1401	2064	786	983	1261	1859	742	928	1191	1755	668	836	1073	1581
COUNTRY MUTUAL INSURANCE CO.	2480	2896	3426	4456	2319	2709	3204	4167	2053	2397	2835	3687	1906	2226	2634	3425
FARMERS INSURANCE CO.	957	1110	1521	2066	883	1021	1400	1901	936	1085	1488	2022	864	999	1369	1860
HANOVER INUSURANCE CO.	1203	1538	2293	3548	1201	1536	2294	3549	912	1165	1737	2681	909	1163	1736	2680
LIBERTY INSURANCE CORP.	1333	1436	1714	2659	1200	1292	1542	2311	1159	1249	1490	2234	1043	1123	1340	2009
METROPOLITAN PROPERTY & CASUALTY INS. CO.***	2897	3118	3409	4086	2842	3057	3341	4000	3629	2807	3048	3633	2598	2772	3009	3585
NORTH STAR MUTUAL INSURANCE CO.	1810	2417	3319	4474	1647	2179	2995	4045	2333	3187	4339	5822	2114	2873	3923	5273
OKLAHOMA FARM BUREAU MUTUAL INSURANCE CO.	1463	1513	1656	2100	1317	1361	1490	1889	1393	1441	1576	2000	1253	1296	1418	1799
PROPERTY & CASUALTY INS. CO. OF HARTFORD	1196	1531	2079	2603	1078	1380	1869	2346	1122	1437	1951	2443	1011	1295	1754	2201
SAFECO INSURANCE CO. OF AMERICA***	865	1086	1624	2308	825	1034	1546	2195	997	1254	1880	2674	950	1194	1788	2543
SHELTER MUTUAL INSURANCE CO.	736	922	1383	1866	711	890	1336	1801	684	857	1286	1734	660	827	1242	1676
STATE FARM FIRE AND CASUALTY CO.	1042	1272	1777	2560	990	1208	1689	2433	1042	1272	1777	2560	990	1208	1689	2433
TRAVELERS HOME AND MARINE INSURANCE CO.	2214	2628	3203	4273	1948	2313	2818	3760	1509	1791	2183	2912	1328	1576	1921	2563
UNITED SERVICES AUTOMOBILE ASSOCIATION	924	1056	1406	1853	868	992	1321	1740	830	941	1239	1610	786	892	1173	1524
USAA CASUALTY INSURANCE CO.	1276	1387	1551	1884	1187	1290	1443	1756	1277	1390	1559	1895	1169	1274	1430	1743
	1241	1348	1506	1828	1156	1256	1403	1706	1239	1348	1511	1836	1137	1238	1389	1692