

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 \$323 for \$100,000 coverage.
\$78 to \$574 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 \$10 for \$5,000 coverage.

Earthquake Coverage:

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

Cost: \$0.06 to \$0.30 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: \$1 to \$29 for \$2,000 coverage.
\$2 to \$83 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***	1518	1737	2157	2586	1417	1623	2020	2426	1414	1602	1971	2355	1325	1501	1850	2213
USAA CASUALTY INSURANCE CO.***	1469	1680	2084	2499	1374	1572	1955	2347	1372	1552	1909	2280	1288	1457	1795	2146
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ACA INS CO. dba CSAA 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.***	1099	1232	1552	1886	1022	1143	1435	1740	1072	1119	1507	1833	995	1111	1396	1690
ALLSTATE INDEMNITY CO.***	1401	2104	3336	4430	1114	1673	2653	3526	1504	2258	3580	4755	1195	1794	2845	3778
ALLSTATE PROPERTY & CASUALTY INSURANCE CO.***	1341	1968	3104	4125	1084	1582	1968	3278	1463	2147	3404	4523	1181	1724	2147	3591
AMERICAN FARMERS & RANCHERS MUTUAL INS. CO. -HO-8	1975	2463	3301	4170	1845	2300	3080	3892	1763	2196	2938	3712	1648	2052	2744	3463
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.***	2209	2616	3437	4191	2055	2433	3198	3900	1849	2189	2878	3509	1707	2021	2657	3240
FARMERS INSURANCE CO.***	1295	1665	2269	2879	1191	1531	2083	2651	1295	1630	2221	2818	1166	1499	2039	2594
HANOVER INUSURANCE CO.***	1917	2754	4067	5280	1897	2728	4029	5228	1571	2248	3320	4310	1552	2224	3284	4262
LIBERTY INSURANCE CORP.***	1526	1840	2759	3377	1373	1657	2483	3040	1366	1647	2470	3023	1230	1482	2222	2720
METROPOLITAN PROPERTY & CASUALTY INS. CO.***	3774	4071	4574	4927	3650	3944	4429	4766	3262	3497	3909	4190	3189	3416	3816	4087
NORTH STAR MUTUAL INSURANCE CO.***	1565	2071	2716	3488	1424	1884	2473	3174	2007	2655	3485	4490	1826	2417	3171	4071
OKLAHOMA FARM BUREAU MUTUAL INSURANCE CO.***	1623	1745	2214	2729	1461	1579	1992	2454	1576	1693	2150	2649	1418	1523	1934	2382
PROPERTY & CASUALTY INS. CO. OF HARTFORD***	1570	2130	2669	3314	1420	1928	2414	2998	1424	1934	2421	3006	1283	1742	2181	2708
SAFECO INSURANCE CO. OF AMERICA***	1546	2324	3311	4198	1471	2210	3148	3991	1731	2606	3716	4713	1647	2478	3533	4480
SHELTER MUTUAL INSURANCE CO.***	1575	1678	1879	2359	1522	1622	1816	2281	1464	1560	1747	2194	1415	1508	1689	2120
STATE FARM FIRE AND CASUALTY CO.***	1439	2010	2897	3862	1367	1910	2752	3669	1413	1973	2843	3790	1341	1874	2701	3600
TRAVELERS HOME AND MARINE INSURANCE CO.***	2899	3683	4649	5599	2609	3315	4184	5039	1789	2273	2868	3455	1610	2045	2581	3109
UNITED SERVICES AUTOMOBILE ASSOCIATION***	1130	1506	1984	3157	1061	1413	1861	2953	1002	1321	1714	2627	949	1250	1622	2477
USAA CASUALTY INSURANCE CO.***	1391	1556	1891	2247	1294	1447	1762	2096	1394	1564	1902	2261	1278	1435	1750	2083
	1350	1510	1834	2178	1259	1407	1711	2036	1351	1515	1842	2189	1241	1392	1697	2020