

## Take Inventory to Insure What's Yours

By John D. "Okie" Doak, Oklahoma Insurance Commissioner

*When choosing a homeowners' insurance policy, most consumers probably think about the cost to replace their house and not the value of all the items inside. But when determining your coverage needs, it is crucial to understand that your personal property deserves protection, too, and an up-to-date home inventory is a vital part of this process.*

The average claim payment for damage to or loss of home contents in Oklahoma was \$3,262 in 2010. But might your possessions be worth a lot more than that? Recent data from American Express, for instance, suggests that "fashionistas" spend more than \$1,400 per year on shoes, apparel and accessories while "techies" spend some \$1,300 annually on computers, video games and televisions.

One of the best ways to make sure your personal property is fully protected is to document each item in a home inventory, and the National Association of Insurance Commissioners is making the inventory process easier thanks to a new iPhone application. Called myHome Scr.APP.book, the tool lets users capture and store images, descriptions, bar codes and serial numbers of their valuables, then stores them electronically for safekeeping. The app organizes your possessions room by room, and even creates a backup file for e-mail sharing.

### Taking Inventory

A home inventory assures you know exactly what you own and what it is worth before you ever need to make a claim. However, research suggests that almost half of all Americans don't have that sort of inventory of their possessions. If you don't have an inventory of your personal property, *take time to make one*. Even if you don't have an iPhone or don't care to use the NAIC's new app, you can still make it easier on yourself by grabbing a notebook and following these 10 simple steps from the Oklahoma Insurance Department and NAIC.

1. Make a list of possessions, including "celebration" purchases such as jewelry.
2. Think about family heirlooms, collections and furniture. Also, consider items related to everyday leisure time, from flat-screen TVs to firearms.



3. Take note of commonplace items, such as toys, CDs and clothing. Don't forget other items that you might use only occasionally, such as holiday decorations, sporting goods, tools and high-ticket items in your yard, like as landscaping or recreational features such as a gazebo or a playground set.
4. Attach copies of original sale receipts and/or appraisal documents to your inventory. Be sure to note model and serial numbers of items where applicable.
5. Group your possessions into logical categories, such as by hobby or by room of your home.
6. Carefully photograph or videotape each item and document it with a brief description, including age, purchase price and estimated current value.
7. Don't forget to open drawers and closets to document what's inside.
8. Store your home inventory and related documents in a safe, easily accessible place such as a secured site online, at a family member's home, or in a safe-deposit box at the bank. Consider giving your insurance agent a copy. Don't store the only copies you have in your own home (even in a "fireproof" box, which doesn't always protect what's inside) and especially not on your home computer. These storage places and devices could easily be destroyed in the same catastrophe that results in your insurance claim, taking your inventory with them.
9. Review and update your inventory annually, and anytime you make a significant purchase.
10. Get a fast start by downloading the free myHOME Scr.APP.book for iPhone by visiting the iTunes App Store or searching "NAIC" in the app store from your phone. Remember, it's free. Or, you can go to [www.insureonline.org](http://www.insureonline.org) to print a simple home inventory checklist.

## Choosing Insurance That Fits

Consumers often are surprised by what isn't covered under a standard homeowners' policy, and keeping a home inventory helps you stay on top of your family's changing insurance needs.

Be advised:

- On average, personal property inside the home is reimbursed only up to 50 percent of the home's insured value. For instance, the maximum replacement value of possessions inside a \$100,000 home would be \$50,000.
- Standard policies impose even lower limits on coverage for certain types of personal property such as jewelry, furniture, furs, firearms and electronics.

Exactly how much you'll be reimbursed for lost, stolen or damaged personal property can vary greatly from policy to policy. *Read your policy carefully and ask questions of your agent to be sure how much coverage you have.* Then, your new home inventory will help determine what items you might need to protect, sometimes through additional or supplemental insurance. The last thing you want when misfortune strikes is to learn that your insurance won't replace your prized possessions.

For more information about insurance, to find a licensed agent, or to register a complaint about your policy or insurer, visit the Oklahoma Insurance Department online at <http://www.ok.gov/oid/>.