

CONSUMER FACT PAK

INSURANCE TIPS FOR CONSUMERS

- ➔ Insurance in Ohio
- ➔ Shopping for Insurance
- ➔ Auto Tips
- ➔ Homeowner/Renter Tips
- ➔ Cost Saving Tips

Purchasing insurance requires attention just like other major investments you consider. Ohio has a strong, competitive insurance market where you'll find a variety of costs, features, products, services, and discounts available from hundreds of companies and agents.

➔ INSURANCE IN OHIO

The National Association of Insurance Commissioners (NAIC) annually releases reports showing the average consumer insurance expenditures for auto and homeowners insurance by state. Data released in 2018 shows Ohio's auto insurance expenditure ranks 14th lowest in the country, while Ohio's average homeowners expenditure ranks 9th lowest.

➔ SHOPPING FOR INSURANCE

Insurance companies offer different distribution channels for consumers to purchase insurance policies. Some companies use exclusive agents (the agent can only represent one company), while others offer services through a network of independent agents (agent may represent a number of companies). Additionally, some insurers offer insurance products through call centers, mail, or web and app-based services.

New insurance customers and those approaching renewal dates should consider insurance needs 30-45 days prior to the date coverage is desired. Don't wait until your vehicle or home loan is about to close before realizing you need insurance protection. Insurance should be considered before you make a decision to purchase a vehicle or home and

always compare policy coverages, exclusions, cost, company service, and financial stability.

When shopping for insurance, consider asking the agent or company representative, "What type of coverage is not included in my policy?" By approaching your insurance needs from this angle, it's less likely you'll find yourself underinsured or not covered in the event of a loss, and there will be less of a chance of surprises if you file a claim.

All insurance policies explain what's covered and what's excluded. You may be able to purchase additional coverage for an exclusion or raise coverage limits for adequate protection through policy endorsements, which extend or modify limits of coverage.

➔ AUTO TIPS

Protect yourself against those driving without insurance. Having uninsured and underinsured motorists insurance will pay for expenses, such as loss of wages and medical expenses for yourself or your passengers, when the other driver doesn't have insurance or not enough coverage.

Meet Ohio's Financial Responsibility (FR) requirements. In Ohio, it is illegal to drive any motor vehicle without insurance or other proof of FR. You can meet FR requirements through a few ways, but most drivers meet the requirements by obtaining auto insurance and the required auto liability policy which includes bodily injury liability coverage as well as property damage liability coverage.

Choose the right vehicle. Premiums are likely higher for luxury, sport vehicles and SUVs due to increased collision and repair costs and likelihood of theft.

Use caution when parking. Park in well-lit areas, close all windows, and lock the doors.

➔ HOMEOWNER/ RENTER TIPS

Eliminate hazards around the home. Remove dead tree limbs, repair cracked sidewalks and steps, loose hand railings, and other potential hazards.

Maintain your property. Check roof for leaks and keep gutters clean. Some losses are easily preventable through routine checks. Rain and ice build-up can cause serious problems to interior ceilings and walls.

Conduct and maintain a home inventory. Keep an itemized list of your household furnishings and personal belongings. Photograph or videotape your rooms noting brand and model numbers of computers, TVs, and other home electronics. Store records off-premises, preferably in a safe deposit box or online. This information will be invaluable in the event of a claim.

Protect your home. By preventing losses and claims, you can help curb insurance costs:

- Keep fire extinguishers in fire-prone areas such as the kitchen, laundry room, and garage. Consider keeping one under your bed in case you're awakened by smoke detectors or alarms.

- Discourage crime by using exterior lights at night. Install deadbolt locks on doors and use timers on inside lamps and TVs, especially when you plan to be away.

Make insurance part of your home buying process. Choosing a home that is less prone to natural disasters or fire can add up to a significant savings.

Cover your home office. Many policies exclude coverage for businesses operating from your home. Protect home business risks by asking about a business insurance policy.

Consider flood insurance. Flooding is not typically covered under standard homeowners or renters insurance policies. While certain areas are prone to flooding, it can happen anywhere and at any time so it's important to have a policy to protect your assets if flooding occurs.

COST SAVING TIPS

Save on insurance without compromising your insurance needs.

Conduct an annual insurance check-up. You may find yourself over or underinsured based on home improvements or purchase/depreciation of specialty items like jewelry, fine art, or collectibles. Be sure to also mention changes to your family's driving circumstances.

Ask about discounts. For homeowners, some companies offer discounts for new construction, since newer homes are built to updated building codes. Some offer homeowners and renters discounts for monitored home security systems. Most auto insurers provide multiple vehicle, good student/safe driver, anti-theft devices and defensive driver training program discounts, and more.

Shop around. Check with several insurance companies and agents or use insurance services available online that provide comparison shopping assistance. Make sure you provide the same information to each company or agent that you contact, including extra coverages you might want or need.

Compare service, price, financial stability, and claims handling process of several prospective companies and agencies, especially as a first-time insurance consumer. If satisfied with current service, it may not be wise to switch carriers just to save a few dollars.

Consolidate insurance needs. Many companies offer a multiple policy discount for carrying more than one type of insurance policy with them.

Consider raising deductibles. Reduce your premiums by covering more of the upfront claims costs.

View the Ohio Department of Insurance shopper guides for homeowners insurance and auto insurance at insurance.ohio.gov. These guides provide information about different types of coverage, answer common questions, and provide shopping tips.

ADDITIONAL RESOURCES

Ohio Department of Insurance:
insurance.ohio.gov

National Association of Insurance Commissioners:
naic.org

We offer free consumer brochures focused on a variety of homeowners and auto insurance topics, consumer safety tips, and insurance laws. To view additional brochures, or to request copies, visit ohioinsurance.org.



Representing Ohio's property/casualty insurance industry

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