

# Insurance Update Fall 2009

**S & R Insurance Services Inc**

**483-3200**

**[www.SandRInsurance.com](http://www.SandRInsurance.com)**

## MEET OUR STAFF:

We're at your service! Call licensed agents **Linda Taras** or **Shelia Adkins** for Personal Lines, and **Cyndi Jeffers** for Commercial Lines. **Rae Easter** or **Robin Strickland** can take quote information and answer any billing questions. Our office hours are 9 AM to 5 PM Monday thru Friday (other hours by appointment). For after hours emergencies, call our office or 435-5505.

**We have a lock box next to the main door for dropping off paperwork or payments.**

## HOLIDAY SCHEDULE:

Our office will be closed on the following date:

September 7: Labor day

November 26-27: Thanksgiving

## IN REMEMBRANCE OF MUFFIN:

As many of you know, our little Muffin passed away on March 6th. **Thank you** to all who sent cards, e-mails or called - it meant so much to me and our staff!! Muffin was a special little dog - I feel blessed to have had her for over 13 years, and to have been able to watch her blossom and overcome the abuse she suffered before she was rescued. She will remain in our hearts forever... -Cyndi

## ABOUT THIS NEWSLETTER:

With the current economy affecting individuals and businesses alike, we've made this newsletter a little longer. We want to provide you with additional info to help you avoid insurance pitfalls and get through the crisis while making sound insurance decisions.

## FALL CHECKLIST:

1. Trim tree branches away from buildings
2. Clean gutters
3. Have heating units serviced
4. Check plumbing and hot water heaters for leaks
5. Check tires, belts, hoses and fluids in vehicles

## WE NEED YOUR FEEDBACK!

Please e-mail us your comments on what we can do to improve our service to you - we want you to be totally happy with your coverage and our service!

**WE APPRECIATE YOUR BUSINESS!**

## WELCOME NEW COMPANIES!

S & R is now licensed to represent **CoverTN**. Yes, you can have an agent to help you with this program!

We also now write Dental coverage through **Delta Dental**. We're working hard to serve you better!

## ABOUT AIG:

S & R does not represent AIG or any of its affiliates (there are many!!!), nor do we plan to at any time in the future!

## THE COMPANIES WE REPRESENT:

In order to provide you with the best coverage at the best premium, we represent a wide variety of **stable** insurance companies:

**Property & Casualty:** American Collectors, Auto-Owners, Benchmark; Columbia National; Foremost, Graphic Arts Mutual, Grange Indemnity, Grange Mutual, Hagerty, Hartford, Infinity, Owners; Permanent General, Philadelphia; Progressive, Republic Franklin, Safeco, Sagamore, Sheffield; Travelers, Trustgard, Utica Mutual.

**Life & Health:** Allied; Assurant (John Alden), BlueCross BlueShield, Bluegrass, Cariten, Celtic, Cincinnati, CoverTN, Delta Dental, Golden Rule, Principal, UNUM.

**We have access to many other companies as well!** We'd love to provide you with great service on **ALL** of your insurance!

**You need an experienced agent to make sure you're properly covered, correct discrepancies and make sure you're not overcharged!**

## DISCOUNTS AND MORE DISCOUNTS!

All of the discounts you hear about on TV are not unique to the companies who advertise them - they are available to you through the companies we represent: Multi-Car, Multi-Policy, Accident Free, Claim Free, Driver Training, Good Student, Defensive Driver, Student Away Without A Vehicle, EFT, Paid In Full, More Cars Than Drivers, Insurance Score, Mature Driver, Mature Homeowner, Mature Businessowner, Professional...and the list goes on! Call us today for a review to see if you qualify for additional discounts!

### PREMIUM PAYMENT OPTIONS:

In addition to a variety of payment plans, many of our companies are now providing several different ways for you to make your payments: EFT (monthly bank draft), check by phone, check by fax, credit card, and payment upload from our office. If you'd like a different payment method, please call and we'll be happy to explain the available options for your policy!

### HOMEOWNERS INSURANCE PRIMER:

Homeowners insurance is meant to cover a dwelling that you own and live in. Coverage is for the home, any other structures (fences, outbuildings, swimming pools, etc) on the property, your contents, additional living expenses that result from a covered loss, Medical Payments, and Liability.

The coverage amount for the home is based on the cost to rebuild - it has nothing to do with market value! Market value has been greatly reduced by the current economy, but the cost to rebuild continues to rise, because it is based on the cost of materials and labor in the area you live in. If your home is not properly insured for replacement cost and you have a covered loss, the settlement amount will be reduced by the coinsurance penalty for being under-insured!

Insurance policies do not cover losses that result from failure to maintain! You are expected to take care of your home, making repairs or updates as needed. Just as an Auto policy does not cover worn tires, your Homeowners policy will not cover a worn roof.

The Contents limit is actually a percentage of the dwelling limit (usually 70%). The insurance company does not know the value of what you own in contents, so it is up to you to determine whether the Contents limit is adequate, and ask for an increase if needed.

If you have questions or feel your coverage limits should be adjusted, please call us - we'll be happy to do a detailed Replacement Cost Estimator with you!

### WHY HAVE INSURANCE PREMIUMS INCREASED?

It is estimated that 25% of insurance claims in the US are fraudulent. Insurance companies can no longer absorb the cost and are becoming more aggressive in fighting fraud. Unfortunately, the fight is also costly.

For the past several years, more Homeowners claims have been filed than ever before. Many of these claims could have been avoided and in other cases, claims costs could have been lowered by taking steps to avoid further damage.

The median award on Auto Liability lawsuits has risen to **\$96,000** (do you have enough coverage???)

**21%** of drivers in TN are still uninsured!

### INSURANCE AND VACANT HOMES:

Everyone is trying to survive the economic crisis, and it's more important than ever for you and us to work together. If you have a Homeowners policy and your home is now vacant or unoccupied, we need to know about it so we can properly cover you - not telling us about this major change does not make the problem go away - it leaves you without coverage!

The premium for a vacant home is higher than the premium for a Homeowners policy, but a vacant or unoccupied home is also a bigger exposure. If a loss should occur and you don't have proper coverage, the repair costs will be much more than the increase in premium for having the proper coverage.

Let us work with you to make sure you have the right coverage. Your home is your biggest asset - not having the right insurance coverage could turn it into your biggest liability! Please call us if your home is or will be vacant or unoccupied for more than 30 days.

### PROTECTING YOURSELF FROM THE OTHER DRIVER'S INSURANCE!

Recently, three insureds were involved in accidents that were caused by other drivers. The other drivers' insurance should have adjusted these claims quickly and provided rental vehicles for our insureds' use until repairs were made. We help our insureds file claims through the other drivers' insurance, so subrogation through their own company isn't needed. Subrogation can be a problem - no rental car if you don't carry Rental Reimbursement coverage, and having to pay your Collision deductible, then wait for reimbursement when (and IF) your company collects back from the other driver's insurance.

In all three cases, the insurance companies for the other drivers engaged in unfair claim practices, dragging out claim settlements or forcing subrogation. We contacted the TN Dept of Insurance and are working for changes in the law to prevent this in the future. No insurance company should be allowed to operate this way. All of the companies we represent have procedures that their adjusters must follow to expedite claims handling. These types of procedures should be required of all insurance companies by the State of TN.

In the meantime, please know that there are disreputable insurance companies out there! In order to protect yourself from these situations, you would need Rental Reimbursement coverage (unless you have an extra car), full coverage on all vehicles, the highest Medical Payments limit you can afford, and adequate Uninsured Motorists limits (in case the other driver is uninsured - 21%, remember?)

## HOW CAN WE HELP YOU SURVIVE THE ECONOMIC CRISIS?

Part of our service to you is trying to provide you with the right coverage for your situation. Every customer, whether personal or business, is unique, and we try to match coverages to your needs.

We can work with you, through the many companies we represent, to help you maintain the best coverage for your premium dollars. We call each customer on a regular basis, because insurance is a very important part of asset protection. If you'll allow us to work with you, we can better work on your coverages and try to save you premium. Call us today for a review!!

### BENCHMARK/SHEFFIELD MONTHLY AUDIT:

If you have Workers' Comp coverage with Sheffield or Benchmark on the monthly audit plan; bills are sent by the 25<sup>th</sup> of each month and are due by the 10<sup>th</sup> of the following month. Your bill is based on the payroll you reported for 2 months prior to the due date (ex: in **March**, premium is based on **January's** actual payroll, which was reported on the audit form sent with your **February** payment). If your payment and audit form are not received by the due date, your next bill will be estimated at 1/12 of the annual premium listed on your policy. This may be more than what you would have been billed if your payment and audit form had been received on time. If timing is an issue, you can pay and report by fax - please call if you need a check by fax form, or stop by and we'll fax them for you.

Even though you are on a monthly payroll reporting form, you still must do an annual audit. If you fail to submit the audit worksheets on time, your audit will be estimated, based on the month you reported that had the highest payroll!!

### WORKERS' COMP AND LIABILITY AUDITS:

We want to help you with your Workers' Comp or Liability audit! We'd much rather do this than try to dispute the audit after it is completed. Disputes can be a lengthy process with no guarantees.

If you're required to meet with an auditor, we offer our conference room and will sit in with you during the audit process. Alternatively, we will meet with you and the auditor at your office. If you're asked to mail in worksheets, we'll help you complete them.

### NEW GROUP EMPLOYEE BENEFIT:

Along with Group Health, Life, AD&D, Short Term Disability, Long Term Disability, Dental and Vision coverages, some insurance companies are now offering **Group Long Term Care** coverage. The rates are very competitive. Please call for more info!

## IMPORTANT! IMPORTANT! WORKERS' COMP MAJOR UPDATES!

Several changes are being made in Workers' Comp, so it's probably a good time to update you on the basics, as well as the changes coming soon. We are attaching a separate Workers' Comp Mini-Manual for all of our commercial insureds - please take time to read it!!

### COLUMBIA EFT NOW AVAILABLE FOR CONTRACTORS!

Please let us know if you have a Columbia Contractor's Businessowners policy and would like to have monthly bank draft as a payment option.

Columbia has agreed to provide the EFT option under the condition that audits will be added to the EFT as payable in full.

Call our office for more information or to sign up for EFT with Columbia!

### NON-OWNED & HIRED AUTO:

If your employees use their own personal vehicles for your business, even if just to run errands, you need **Non-Owned Auto Liability**. This coverage protects the business in case the employee is involved in an accident and a lawsuit results - both the employee and the business can be sued. The employee's Personal Auto policy is primary coverage, but if there is not enough coverage, the business can easily be brought into the lawsuit. Any employee who is allowed to use their personal vehicle for business should carry Personal Auto coverage on their vehicle, and you should require their Liability limits to be much higher than minimum limits. We need full name, date of birth and driver's license numbers for all employees using personal autos for your business!

**Hired Auto Liability** provides Liability coverage for a rental vehicle when it is rented by your business (the rental must be in the business name not the employee's name). **Hired Auto Physical Damage** coverage can also be purchased if you rent vehicles on a regular basis.

### PLEASE REFER FRIENDS AND FAMILY!

You are a valued customer, and we would love to help your friends, family and employees with their insurance needs as well! Please refer them to our agency - we'll take good care of them!

### NEW WORDS TO LEARN:

Petit Basset Griffon Vendeen (PBGV)