



## Filing Your Home Insurance Claim

If you have a mortgage, and your home is damaged by a covered peril, what two parties will your claim check be made out to?

1. You and your insurance company
2. You and your mortgage company
3. You and your shadow

In the event that the structure of your mortgaged home is damaged, your insurance company will issue a claim check made out to you and your mortgage lender. Mortgage lenders have a financial interest in your home and most require that you have appropriate insurance in order to protect their financial interest. Claims payments for personal belongings and/or additional living expenses are paid directly to the homeowner.

The need to make a homeowners claim almost always comes at a stressful time for the homeowner/policyholder. The homeowner may have suffered damage to or loss of his/her home or property, or may have caused injury or property damage to others.

### A quick review

If you're reading this brochure it's likely that you've already suffered a loss in one of the following two areas: liability or property. If you have a current copy of your policy, you should review it now to see what coverages, limits and deductibles you have. Call your Trusted Choice® insurance agent or insurance company if you need a copy or assistance in reviewing the details of your coverage.

Liability covers your responsibility for all amounts up to your policy limit that you are legally obligated to pay for medical payments, damage to property (other than your own) and injuries to others that have occurred on, in or near property that you own or control.

Contents covers your personal property against losses from a wide variety of potential perils, such as:

- fire, lightning or smoke
- theft, vandalism or malicious mischief
- windstorm or hail
- explosion
- Riot or civil commotion
- damage from aircraft, vehicles and falling objects
- plumbing-related water damage
- electrical surge

Most homeowners policies have strict limits on certain valuable items and for certain types of potential perils. You may want to pay special attention to the details of your policy in those areas.

There are two types of policies designed to cover your contents: actual cash value and

replacement cost.

If you purchased an actual cash value policy, you will be paid the cost to replace items after depreciation.

A replacement cost policy takes into consideration what it would cost to replace the item at today's prices.

### **Taking care of business**

The checklist below will help you get started when filing a homeowners claim. Be prepared to keep good notes throughout the process. Keep all bills, receipts and estimates. Document all discussions with your Trusted Choice® agency, insurance company and claims adjusters, including names, dates and a brief overview of what was discussed.

1. Notify the police if your home has been burglarized or vandalized. Your insurance company will require a police report to accompany your claim forms.
2. Notify your Trusted Choice® agency or insurance company of the loss immediately. Most homeowners policies have a stated time limit for filing claims. Now would be a good time to check your policy for an toll-free number to make the process easier if you ever need to make a claim.
3. Do not discuss your claim with anyone other than the police, your Trusted Choice® insurance agent, or representatives of your insurance company. This is especially important in a liability case where you could unwittingly waive your legal rights or unintentionally accept responsibility.
4. Review your coverages and responsibilities with your agent or a company service representative as soon as possible. Here are some questions to ask:
  - Am I covered for the loss I am describing?
  - What are my responsibilities and what are the time frames for completing them?
  - When will you send me claim forms and what is the time frame in which I must return them. (Time frames for claim forms vary by state.)
  - What is my deductible?
  - What additional, useful coverages does my policy contain (such as living expenses if temporary housing is needed)?
  - When will an insurance adjuster be scheduled to see the damage? (Adjusters work for the insurance company. They inspect the damage to your home and are authorized to make payments to you and others for all necessary repairs.)
5. Make temporary repairs to protect your home from further damage. Do not make permanent repairs until an adjuster has seen the damage or the company may deny your claim.
6. Keep receipts for any money you spend on temporary repairs or other expenses you incur due to the loss, including interim housing. Keep copies for yourself in case the adjuster, your agent or your insurance company request documentation of these expenses.
7. Document the loss by making a comprehensive list of lost, destroyed or damaged belongings. If you prepared a home inventory before you had a claim now is a good time to use it to help ensure that all of your belongings will be accounted for, repaired or replaced.
8. Photograph the affected site to document the extent of the loss or damages.
9. Get estimates for repair and replacement from reputable, local contractors. You can use the

estimates to gauge the fairness and accuracy of the claims settlements you are offered. Sometimes adjusters will accept your estimates and offer immediate payment. This can help speed your claim to conclusion.

10. Accompany the adjuster during the inspection and briefly document observations and conversations.

11. You have the right to refuse a settlement offer if you don't agree with it. Speak to your Trusted Choice® insurance agent for information in the event of an accident or for assistance with your claim.

### **Disaster planning**

In the event of a natural or unnatural disaster, most insurance companies will set up toll free hot lines and/or send teams of inspectors and specialists to the scene to expedite claims processing. It is still a good idea to follow the steps outlined above to the best of your ability.

### **Cash on hand**

Once you've accepted a settlement from your insurance company, you should receive a claim check promptly. Mandates defining promptness vary from state to state. If you feel that you are not receiving prompt attention call your Trusted Choice® insurance agent or your state department of insurance.