



## Shopping for homeowners insurance work sheet

### Questions to ask about home insurance

Ask yourself these questions when shopping for homeowners insurance.

#### Check out the company

What is the insurance company's reputation? \_\_\_\_\_

- Check with your state insurance department to make sure the company is licensed in your state and see if they keep a record of complaints. Or go to the [NAIC Consumer Information Source](#) Web site.

What is the company's complaint ratio? \_\_\_\_\_

What is its financial rating? \_\_\_\_\_

- Go to [www.ambest.com](http://www.ambest.com) to see how they rank.

#### Discounts

Are any discounts offered? \_\_\_\_\_

- For instance, customers carrying homeowners and auto insurance from the same company will often receive a break on premiums. Other premium offsets could include:
  - Fire, smoke and burglar alarms
  - Being claim-free for a certain number of years
  - Some automatic sprinkler systems qualify for discounts

#### How much coverage do you need?

How much is your house worth? \_\_\_\_\_

Have you done renovations that have increased its value? \_\_\_\_\_

What are home values in your area as well as construction costs? \_\_\_\_\_

Have you done renovations that have increased its value? \_\_\_\_\_

- Consider getting extra coverage as an endorsement to your replacement-cost coverage to fill in the gap in the event of a worst-case scenario (think Hurricane Andrew or Hurricane Katrina).

#### Comparing policies

##### Home

What does the policy cover? \_\_\_\_\_

- Is it written as "all risk" or "named peril?"  
(Hint: You want "all risk" -- it means your home is insured for all causes of loss except those specifically named as exclusions.)

Do you need specialty coverage to protect yourself against disasters? \_\_\_\_\_

Is loss-of-use coverage included? \_\_\_\_\_

- Under what circumstances does it kick in? \_\_\_\_\_
- What does it pay for? \_\_\_\_\_
- How long will it pay? \_\_\_\_\_

### Contents

Does the policy offer cash value or replacement value for your belongings? \_\_\_\_\_

What about big items such as jewelry, art or even computers? \_\_\_\_\_

- What are your specialty items worth and how much will it cost to get them insured? \_\_\_\_\_

### Liability

What is the liability coverage? \_\_\_\_\_

What is excluded from liability coverage? \_\_\_\_\_

How much coverage can you get from an umbrella policy and how much extra will it cost? \_\_\_\_\_

### Claims

What is involved in the claims process? \_\_\_\_\_

- How does the company pay claims? \_\_\_\_\_
- How long do you have to buy replacements? \_\_\_\_\_
- If you decide not to replace the item at all, how will you be reimbursed? \_\_\_\_\_