

Wisconsin Homeowners Need Flood Insurance



Wisconsin emergency officials want homeowners to get flood insurance.

Flooding in August 2007 caused \$112.4 million in damage to property and crops. Another round of floods in June 2008 caused more than \$765 million. Wisconsin Emergency Management says those floods were the costliest natural disaster in state history.

The water table in most of southern Wisconsin is still above normal after last spring's floods and heavy snow in December.

Wisconsin Emergency Management says homeowners insurance typically doesn't cover floods and less than 50 percent of floods qualify for federal disaster assistance. A survey conducted for the Insurance Information Institute (I.I.I.) Reveals that only 17 percent of Americans have a flood insurance policy.

> A Dangerous Situation

"The results show that although more people are buying flood insurance the percentage is still dangerously low," said Jeanne Salvatore, senior vice president and consumer spokesperson for the I.I.I.

According to the Federal Emergency Management Agency (FEMA), floods, including inland flooding, flash floods and seasonal storms, occur in every region of the United States.

Without insurance, relief from floods primarily comes in the form of loans. If your community is declared a disaster area, no-interest or low-interest loans are usually made available by the federal government as part of the recovery effort. These loans are just that-loans-and must be paid back. Obtaining a flood insurance policy is the only way to protect you fully from the cost of flooding.

Independent Agents Are Great Communicators

According to the J.D. Power and Associates 2008 Insurance Customer Contact Study insurance customers who interact with a local agency tend to be more satisfied than customers who interact with their insurer's call center. The study finds that more than 75 percent of personal auto and home insurance customers interacted with their insurer either through an agency, call center, or Web site during the past 12 months.



The study also finds that agent-served customers tend to be more loyal to their agent than they are to their insurer.

Furthermore, only 7 percent of customers indicate they "definitely will not" switch insurers if their agent recommended another company.



^ What This Symbol Means to You

There is a difference in where you buy your insurance. Many don't realize there are three sources for insurance:

1) CAPTIVE AGENTS

who can sell you the insurance of only one company.

2) TELEPHONE & INTERNET REPRESENTATIVES

who can offer you the insurance of one company only on the telephone or via computer.

3) INDEPENDENT INSURANCE AGENTS

like us—who represent many insurance companies. We research these firms to find you the best combination of price, coverage and service for all your insurance needs.

Does Your Policy Cover Rental Vehicles?

An Independent Insurance Agents and Brokers of America survey found that nearly one third of consumers do not think or do not know if their current policies cover them in a rental vehicle. Actually, most personal auto insurance policies provide protection for any liability you incur for injuries or property damage you cause to others within the U.S.



Driving a rental car is considered to be the same as driving your own vehicle for liability purposes.

Liability Damage Waiver: It's not usually necessary to purchase a Liability Damage Waiver from the rental car agency since you usually already have coverage under your own insurance. Always request a copy of the rental agreement to review ahead of time with your independent insurance agent.

Collision Damage Waivers: Rental car agencies typically try to sell "Collision Damage Waivers" (CDW) for about \$8 - \$15 per day. These waivers are not insurance. In effect, a CDW is simply a promise made to the rental car agency that they won't make you repair or replace a damaged or stolen vehicle. If you already carry collision and comprehensive coverage under your own personal auto policy, your insurance will extend to the rental car. Consumers need to carefully evaluate their existing coverage and discuss whether or not purchasing a CDW is appropriate for them.

When CDWs May Be Appropriate: There may be gaps in the coverage your insurance policy provides for rental cars. For example, many car rental companies may hold you responsible for the loss of use of a damaged rental car. Rental car companies may charge you the daily rental rate for every day the car is undergoing repairs. While many auto insurance policies will pay "loss of use" charges, those that do set limits. There are other expenses that most auto policies do not cover. One example is diminished value which can amount to several thousand dollars. Consult your independent insurance agent to find out what's best for your needs.

Check The Vehicle: An important way to protect yourself when renting a vehicle is to check over the car carefully for damage in the presence of a representative of the rental car company, before you leave the lot and when you return it. Request all prior damages be noted in writing. Car renters have been known to receive damage claims from rental car companies weeks after turning in vehicles. There is no way to prove your innocence at that point.