



What May Be Covered Due to Tropical Storm Isaias

It has been a week now since Tropical Storm Isaias has done its damage to our area and the power is back on at your house after several days. You have questions about what to do next and if your insurance covers some of the damages you have incurred because of the storm.

Here are some general recommendations and guidelines that we hope will help answer your questions. We always suggest that you contact your account manager or insurance agent for a more detailed response based on your exact coverage and circumstances.

Does my homeowners insurance reimburse for food lost in a power outage?

Homeowners insurance will likely cover you if you lose a freezer full of pricey steaks when your power is out. However, insurance coverage for power outage losses varies by insurer and your policy.

Consider these factors:

Insurers may categorize claims associated with hurricanes or large storms as catastrophic. In those cases, an insurer may disregard a food spoilage claim when you renew your insurance.

If your insurer covers off-premises loss of power, the outage's cause must be covered under your policy. For example, your policy may cover you if a wind storm caused the outage, but not cover you if a flood caused the power loss.

Coverage that's included with your homeowners policy is typically limited to \$250 or \$500 per occurrence. It often isn't worth filing a claim for relatively small amounts, unless the food spoilage is just part of a larger claim for the same event. Multiple claims in a short period can result in an insurer canceling the policy.

Because so many variables depend on your individual carrier and policy, don't make any assumptions about your power outage coverage. Read your policy carefully to see if food spoilage is specifically excluded within your list of exclusions. If you're still uncertain about whether or not you're covered, speak with your insurance agent or account manager and ask him or her to be sure.

A few other things to consider –

Power Company reimbursement

Check with your power company to determine whether or not it will reimburse your insurance deductible, food spoilage or other damage you can attribute to the power outage. New York's ConEd is accepting claims for food and prescription medicine spoilage.

Electronics damaged by a power surge

If you don't have surge protectors for all of your expensive electronics, get them now and unplug your prized electronics during thunderstorms. Whether or not your insurer covers power surge damage, prevention is still the best strategy.

If, despite your best efforts, a power surge destroys your electronic equipment, you might be covered and be able to file a power surge damage claim. It depends on the cause of the power surge and your coverage.

Damage to electronics falls under personal property coverage. Most policies limit personal property reimbursement to between 50 to 70% of the dwelling coverage amount. If you have a home office, your computer might not be fully covered. If you have expensive business electronics, consider purchasing additional coverage for them.

Having a permanent generator

If you live in an area prone to extended power outages, it may make sense to get a gas generator for emergencies. For full protection in an outage, you'll want an automatic standby generator. This is a permanent installation, powered by natural gas or propane. In a power outage, it fires up automatically. The unit itself could cost between \$2,500 and \$10,000, and installation -- connecting it to your electrical system and gas or propane line -- can add several thousand more. Your reward, in addition to retaining your customary lifestyle while your neighbors are sitting in the dark, may be a small discount on your homeowners insurance. Ask your insurance agent or account manager for specifics.

If you have questions or not quite sure what your policy does cover or if you should make a claim, it's always a good idea to speak with your insurance agent.

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