

# ***Before & After The Storm***

**Kentucky Department of Insurance**

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**Being prepared for natural disasters  
and knowing what to do after they happen**



## BEFORE THE STORM HITS

No area is completely safe from the possibility of natural disaster. You can get specific information about what to expect in your community and how to prepare by contacting your local American Red Cross. Or go online at <http://www.redcross.org/>.

After you put together a family disaster plan to address personal safety issues, you will want to give some thought to protecting your investment in your home and property. Here are some tips from the Kentucky Department of Insurance (DOI):

- Review your insurance policies to see if you have adequate coverage. If you're not sure, talk to your agent or call the Kentucky Department of Insurance at 800-595-6053 (in KY) or 502-564-3630 (out of state) or the TDD line for the deaf/hard-of-hearing: 800-648-6056. Insurance experts suggest you contact local contractors in your area to get an idea about rebuilding costs. Also, keep in mind you may have to bring your home up to current building codes rather than just restoring it "the way it was." Ask your agent if your policy will pay for the additional expense of bringing it up to code.
- Keep policies and other important papers together in a safe, easily accessible place.
- Inventory your personal property including model and serial numbers and purchase information. Do not overlook items you use seasonally or infrequently.
- Back up your inventory by videotaping and/or photographing each room in your house and storing this visual record outside your home.
- Make copies of insurance policies, your household inventory and other important papers and send them to a trusted friend or family member who lives outside your area.
- In your disaster supply kit, include a digital or video camera and a notebook and pens for use in documenting your losses.
- Include the phone numbers of your insurance agent, your insurance company's local claims office and home office in your list of emergency numbers.

## FREQUENTLY ASKED QUESTIONS ABOUT FLOODS & EARTHQUAKES

### **My homeowner's policy does not cover flood damage. How do I get this coverage?**

Flood insurance is available from the National Flood Insurance Program (NFIP). If your community participates in this program, you can purchase flood insurance regardless of your degree of risk. You can purchase NFIP insurance from a local agent or call 888-379-9531 for more information. The average flood insurance policy is affordable, certainly less expensive than a disaster loan. There is a 30-day waiting period before coverage goes into effect, so plan ahead if you are interested in obtaining this coverage.

### **I have coverage in case of an earthquake. How is my deductible calculated?**

In Kentucky, the deductibles for earthquake insurance may vary based on your region of the state. Remember, this deductible is based on the value of your policy. For example, if you live in a county with a 10 percent deductible and you insure your home for \$150,000, you would be responsible for the first \$15,000 in earthquake damages. In this case, if the damages to your home were less than \$15,000, you would pay the entire amount for home repairs and your insurance company would pay nothing. Standard deductibles for policyholders living in each region are: 20 percent for far west region (Ballard, Calloway, Carlisle, Fulton, Graves, Hickman, Marshall and McCracken counties); 15 percent for the near west region (Butler, Caldwell, Crittenden, Daviess, Hancock, Henderson, Hopkins, Livingston, Lyon, McLean, Muhlenberg, Ohio, Trigg, Union and Webster counties), and 10 percent for the remaining counties. These are the standard deductibles companies are required to offer. However, companies may offer higher or lower deductibles as an option.

## TIPS ON SURVIVING THE ELEMENTS

- Before the storm arrives, create an emergency stockpile of bottled water, non-perishable food, blankets, candles, matches, flashlights, batteries, AM/FM radio, a three-day supply of any medications you need along with other items you feel are necessary.
- Prevent frozen pipes. Wrapping pipes with insulation and/or heat tape have proven to be effective in preventing frozen pipes. Leave faucets inside your home slightly dripping. Open any cabinets where pipes might be found so the heat from your home can keep them warm.
- Check for drafts. Doors and windows should be checked for drafts. Applying weather stripping to door jams along with covering windows with plastic will keep heat inside the home and save money on heating bills.



## GET PREPARED: REVIEW AND UPDATE YOUR INSURANCE

To begin a review, start with your home inventory. Creating an inventory and storing it in a safe location away from home is one of the most basic – and effective – disaster preparedness steps you can take to help protect yourself and your financial future. A home inventory can save you time and headaches when filing a claim following a disaster.

It is important to review your inventory each year. Remember to note the make, model, serial number, purchase price and date of purchase of any new items and keep copies of receipts for major purchases with your inventory. If you've purchased or have been given jewelry and/or art, make sure to have it appraised. And, don't forget to take photos and/or video of the new items. Once you have a complete home inventory, talk with your insurance agent or company to make sure you're not under- or over-insured.

Also, make sure you know whether your policy includes coverage for replacement cost or actual cash value in case of a loss. Actual cash value (ACV) is the amount it would take to repair damage to your home or to replace its contents after allowing for depreciation. Replacement cost is the amount it would take to rebuild or replace your home and its contents with similar quality materials or goods, without deducting for depreciation.

The difference between replacement cost and ACV could mean thousands of dollars in a claims payout.

Store copies of your insurance policies with your inventory in a safe location away from your home, so that these records can be easily retrieved in the event of a loss. Most families have life, automobile, and homeowners or renter's insurance policies. Some families may also have a flood insurance policy or other types of policies. Before you store the insurance policies, review them to verify that they meet your needs. Make sure you know your policy limits, deductibles, exclusions and policyholder claims notification requirements, before disaster strikes.

Keep a list of contact details for your insurance agent and/or company with your policies. Include office phone numbers, mailing addresses, website addresses and all of your policy numbers for quick reference.

## AFTER THE STORM HAS PASSED

First a few words about safety – never try to reenter your home or attempt any repairs unless it is safe to do so. Watch for broken power lines, shattered glass, splintered wood or sharp protruding objects and mud-slicked walkways. Don't use electrical appliances that have been exposed to water unless they've been checked by a technician.

### Contact your insurance company as soon as possible.

Call your agent, the company's toll-free number or get in touch with the company's representatives in the area. The local operations center/disaster information center should be aware of what companies have teams in the area, their locations or contact information. Typically, announcements will be made on the radio and in newspapers.



Don't let a con artist talk you into filing a phony claim. Insurance fraud - lying to an insurance company to get money - is illegal.

## WHAT HAPPENS NEXT

The insurance company will send a claims adjuster to look at the damaged property and talk to you about your loss. A claims adjuster is a person professionally trained to assess the damage. Meet with your insurance company adjuster first, before signing anything with contractors, lawyers or public adjusters. Public adjusters are not connected with the insurance company and charge fees for their services.

It may take some time for a claims adjuster to get to your house. If many homes are damaged, they may have several sites to visit. Also, police may stop people from entering an area until it's safe. Please be patient.

In a large disaster, adjusters may be called in from across the country. Many of them may not be familiar with your area and will need very detailed directions to locate your property. If you are not able to stay in your house due to the damage, be sure to tell your company where you can be reached. If possible, give them a cell phone number where you can be reached at all times.

If a reasonable amount of time passes (about three days for a major disaster) and you haven't heard from your adjuster, contact the Kentucky Department of Insurance. Talk to the Department's disaster team members on site or call 800-595-6053 (in KY) or 502-564-3630 (out of state), and ask for the Division of Consumer Protection. (TDD for the deaf/hard-of-hearing: 800-648-6056.)

### While you wait for the adjuster

- Make sure your address is visible from the street. One idea: paint your insurance company name, your policy number and your temporary address on a sheet of plywood.
- Take action to prevent further damage to your property — cover holes in the roof and windows and remove as much water as possible from the house. Don't make permanent repairs until the adjuster has inspected the property.
- Move important papers and items not covered by insurance to a safer location.
- Make a list of everything you would like to show the adjuster when he or she arrives.
- Seek shelter elsewhere if necessary, but leave information on where you can be contacted.

### Making a record

- Create a detailed list of damaged items.
- Take photos of the damage. This is very important if you must throw away or move items before the adjuster has seen them. When possible, save a remnant of items that must be thrown away.
- Keep *all* your receipts (for tarps and a wet/dry-vac, for example) and document the time you spend securing your property.
- Keep a record of conversations with insurance personnel and other officials including the person's name, the time and date and a summary of what you talked about.

### When the adjuster arrives

- Ask for identification.
- Get the adjuster's name, his/her local phone number and company.
- Ask questions if there's anything you don't understand and take detailed notes.

## SETTLING YOUR CLAIM

### Some things to keep in mind

- You are entitled to be reimbursed fairly for your loss, but you are not supposed to make a profit.
- You can't collect more than the face value of your policy.
- You can't collect for uninsured items, such as landscaping.
- Additional living expenses usually are covered if you need to move to a hotel because of damage to your home as a result of a covered event. However, most policies will not pay for a hotel room if you leave your home because of a power outage that occurs off premises. Lodging and living expenses should be reasonable and you should keep receipts.
- Most policies cover tree removal if it falls on a covered structure. (Usually, there is a maximum of \$500 for removal if a covered structure is damaged.) The value of the tree is usually not covered and your policy won't pay to remove it if it doesn't damage anything when it falls.
- Depending on the type of loss, your insurance may pay for removal of debris from your property in association with that loss. Coverage for debris removal may be limited to a specific dollar amount. Read your policy or check with the agent or company for details.
- Inspect your roof or have it inspected if you were in the disaster area but aren't sure about roof damage.
- The first check you get from your insurance company is often an advance, not a final payment.
- If you're offered an on-the-spot settlement, you can accept the check right away but make sure that if you find other damage you can "reopen" the claim and file for an additional amount. Most policies require claims to be filed within one year from the date of disaster.
- Don't agree to a final settlement until you are satisfied that it is fair. You are entitled to obtain independent estimates if you wish.
- Don't sign anything that limits the company's future obligation. For example, it might take months to discover earthquake damage to your foundation.

### About your car

Broken glass or body damage is covered only if you have comprehensive insurance coverage. You **are not** covered if you only have liability insurance. Comprehensive coverage covers replacement of glass without having to apply your deductible. It will pay for repair of body damage after payment of your deductible.

## AVOIDING THE "FLY-BY-NIGHTERS"

Contractors may be in short supply if there's a major disaster. Don't let desperation put you in a position to be ripped off. Here are a few tips to help you avoid common scams.

- Avoid repair scams by dealing with reputable licensed and insured local contractors you know or can check out. Ask people you trust for recommendations.
- Do not deal with "fly-by-night" roofers or remodelers who go door-to-door, especially those not known in your community or those who offer greatly reduced prices because they say they just completed work nearby and claim to have materials left over.
- Don't be afraid to ask for identification, especially if money is changing hands, and proof of general liability and workers' compensation insurance.
- Don't spend a lot of money on temporary repairs. Remember that payments for temporary repairs are part of the total settlement. If you pay a contractor a large sum for a temporary repair job, you may not have enough money for permanent repairs.
- Insist on a written contract that includes a description of the work, total cost and completion date.

**WHAT TO DO AFTER THE STORM**

**Call your agent:**

- Agent’s name and phone number .....
- Ask for policy number and renewal date.....
- Ask about a housing allowance .....
- Ask about storage to secure items .....
- Ask about car rental .....

**Report your claim:**

- Phone number to report claim .....
- Date claim reported .....
- Insurance claim number .....
- Insurance company .....

**When you call, have on hand your:**

- Insurance agent’s name and address .....
- Insurance policy number and renewal date .....

**Be prepared to give:**

- Complete directions to your home
- Your temporary address and how to find you
- A cell phone number if you have one

**Write down:**

- The claims reference number .....
- The name of the person you talked to at the insurance company .....
- When you called and other pertinent information .....

**Ask about:**

- Details on filing a claim, including any deadlines .....
- Arrangements for an adjuster to inspect the damage .....
- Temporary housing and living expenses if you can’t live in your home .....
- Car rental if your vehicle can’t be driven .....

**When the adjuster arrives:**

- Adjuster’s name .....
- Adjuster’s business address and phone number .....

**Begin gathering information to support your claim:**

- Photos
- Receipts
- Detailed list of items

**Prevent further damage by covering roof, windows and removing water (only if you can do so safely).  
Don’t agree to final settlement until you’re satisfied. You are entitled to independent estimates.**

**If you haven’t heard from your agent, adjuster or insurance company within 3 days, call us at the  
Kentucky Department of Insurance, Division of Consumer Protection: 800-595-6053 (in KY) or 502-564-  
3630 (out of state); TDD 800-648-6056 for the deaf/hard-of-hearing.**

*Check on state and federal assistance after a disaster, regardless of your income.*



**Kentucky Department of Insurance**  
**Division of Consumer Protection**  
**P.O. Box 517, Frankfort, KY 40602-0517**  
**Toll-Free (KY only): 800-595-6053**  
**Consumer Protection: 502-564-6034, Fax: 502-564-6090**

## **Consumer Complaint Form**

**Are you filing this complaint on behalf of someone else?**

- Yes (Please fill out Sections 1, 2, 3 & 4)  
 No (Please fill out Sections 1, 2 & 3)

### **Section 1 General Information**

Type of insurance involved (Please check one):

- Auto       Homeowners       Life       Health       Disability       Commercial  
 Workers' Compensation       Other, please specify \_\_\_\_\_

My Complaint is against (please check all that apply):

- Insurance company       Agent       Adjuster       Other, please specify \_\_\_\_\_

Are you represented by an attorney?       Yes       No

Is this situation currently in litigation?       Yes       No

### **Section 2 Insured (individual harmed)**

First Name \_\_\_\_\_ Middle Name \_\_\_\_\_ Last Name \_\_\_\_\_

Address \_\_\_\_\_ City, State, ZIP code \_\_\_\_\_

Best phone number where you may be reached: \_\_\_\_\_

Today's Date: (MM/DD/YY) \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**Signature** (if filing on your own behalf): \_\_\_\_\_

### **Section 3 Complaint filed against**

Individual's Name (If applicable) \_\_\_\_\_

Insurance Company Name \_\_\_\_\_

Group Number \_\_\_\_\_

Policy/ID Number \_\_\_\_\_

Agent/Adjuster Name \_\_\_\_\_

Agent/Adjuster Address \_\_\_\_\_



## USEFUL CONTACTS

Kentucky Department of Insurance  
Consumer Protection Division  
**800-595-6053 (in KY)**  
**502-564-3630 (out of state)**  
**800-648-6056 TDD for deaf/hard-of-hearing**  
<http://insurance.ky.gov/>

National Weather Service  
<http://www.nws.noaa.gov/>

Federal Emergency Management Agency  
Disaster Information Helpline  
**800-621-FEMA (3362)**  
**800-462-7585 TTY**  
<http://www.fema.gov/>

American Red Cross  
Check your phone book for local number.  
<http://www.redcross.org/>

National Flood Insurance Program  
**888-379-9531**  
**800-427-5593 TTY**  
<http://www.floodsmart.gov/>

Small Business Administration Disaster Loans  
**800-659-2955**  
<http://www.sba.gov/>



Kentucky Public Protection Cabinet  
Department of Insurance  
P.O. Box 517, Frankfort, KY 40602-0517  
800-595-6053 (in Kentucky); 502-564-3630 (out of state)  
TDD: 800-648-6056  
<http://insurance.ky.gov>

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