

# HOME INSURANCE TIPS

## BEFORE YOU HAVE DAMAGE

### IMPORTANT!

**Ask yourself:** If my home were to be redone from the foundation, is this enough money to do it? Is this enough money to replace all of my personal property?

**Selecting the right insurance coverage/company is crucial.** You need a proactive agent who will advocate for you and strategize effectively. We recommend Cross Private Insurance, as we've witnessed their strong advocacy for policyholders.

**Making sure you have the right coverage.** If you're in a flood zone, you should have flood coverage. It covers you against water damage caused by flooding, including high tides, storm surge, heavy rain, and other natural flooding.

**Do not under-insure your property.** There is a penalty and negative consequences that could take place if you under insure your property. Agents may do this intentionally to save you money, but it's always better to over-insure.

### KNOW YOUR POLICY

**Ensure your policy includes adequate Sewer and Drain Backup coverage.** A minimum of \$25k-\$50k is recommended to cover potential claims. Clogged overflow, or "reversal inflow" coverage applies when a city sewer clog causes sewage backup into your home from the street line. If this occurs, **contact the city** to determine who is responsible for drain maintenance.

**Pro tip:** clogs typically fall under your typical coverage. If an item is flushed down the toilet and causes a clog in the line, everything after that may start to build up and make its way into your home. Many insurance carriers **misinterpret** clog/overflow as a sewer and drain back up.

**Sump pump failure coverage** is a very important endorsement. If you have a sump pump, mechanicals, or a finished basement, determine the coverage needed by calculating the full replacement value of all items. We recommend a minimum of \$25-50k, the cost of some projects we have seen.

**Loss Prevention** - if you have a higher end company, you should ask them about Loss Prevention. For example: a pipe broke, so insurance company may **offer money** towards installing a water shut off system. Or they may contribute towards a leak defense system that monitors your property for hidden leaks and automatically shuts off the water and alerts you if one is detected.

**Know your mold limit.** Typical mold limit is 10k. Some companies have started to offer additional coverage for mold limits. Definitely consider this option.

**TURN OVER  
TO LEARN  
ABOUT FILING  
A CLAIM**



# IF YOU HAVE DAMAGE...

## IMPORTANT!

**Crucially, mitigate damage immediately.** Delaying mitigation may result in your insurer not covering further damage. Call a licensed and certified mitigation company like Hightower Disaster Restoration to prevent further damage, and get the process started quickly and correctly.

**It may or may not make sense to file a claim.** When reporting a claim, contact the claims department and provide a **brief, vague description** of the event. **Avoid detailed explanations**, as providing incorrect information (like speculating on the cause if you are not qualified) could **jeopardize the claim**.

Once an adjuster is assigned, you will provide more detail. Crucially, **do not discard the item** or object that caused the damage. If possible, keep the item (e.g., a hot water heater or pipe) or thoroughly document it. Document any incident in your home, **whether or not you plan to file a claim**.

**FUN FACT:** The mitigation company invoices the insurer directly; negotiations and adjustments follow.

**If the fault lies on another party:** file a liability claim with your insurer for subrogation against the responsible party. Once you receive the check, notify your insurance company's Loss Draft Department if a mortgage company is named on it.

## Adjusters explained



### staff adjuster

They work for your insurance company to oversee your claim. You may be assigned both a field and desk adjuster. The field adjuster will inspect the claim at your property. The desk adjuster may be in another town or state.



### independent adjuster

They work for several insurance companies. Their capacity could vary. They may handle the entire full scope of claim or just documentation and estimate.



### public adjuster

They work for you, not the insurance company—advocating, negotiating, and maximizing your claim. Many are former carrier adjusters who now serve as consumer advocates. In Connecticut, they typically charge about 10% of the claim.

## terms you may encounter

**Additional Living Expenses (ALE)** - if you can't stay in your home, due to the damage, your policy pays for you to stay somewhere.

**Recoverable Depreciation**- the amount by which the value of your home or personal property has decreased in value since you bought it. It's the portion of the depreciated amount that you can get back or "recover" from your insurance company when you make a claim on a policy with replacement cost coverage. Some policies don't offer depreciation, but higher insurance companies do offer it. **In some cases the depreciation is not recoverable.**



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