



Insurance INSIGHTS

Information and ideas for customers of John F. McBride Insurance Agency • Fall/Winter 2011

BUYER ALERT

Your homeowner policy doesn't cover flood damage

Here's what you should know and what you can do with the memory of recent rains and floods in mind.

As we are well aware from the impact of Irene, floods can happen any time, anywhere. But what is not as well-known is that standard homeowner insurance policies do not cover damage caused by *rising* water.

What about federal disaster assistance?

Federal disaster assistance offers loans (with interest payments) to help cover flood damage, not compensation for losses. Less than 10 percent of all weather emergencies in the U.S. are declared disasters.

How can I get coverage for flood damage?

Purchase flood insurance which is underwritten by the National Flood Insurance Program (NFIP), a federal program. It is available for all property

owners who live in a community that participates in the program.

Where can I buy NFIP flood insurance? At our agency.

With one annual premium you can protect your home and its contents from rising water and flooding through one of the private insurance companies that we represent as an independent agent.

What about the cost?

The lower the flood risk in the area where you live, the lower the premium. Also, you have the option of selecting coverage in a range of yearly premium amounts. You may qualify for Preferred Risk Policy (a lower-cost flood insurance policy) that provides contents coverage for under \$200 a year. Homeowners and renters can also buy coverage for contents-only for around \$50 a year.*

Are their limits on how much flood insurance I can buy?

Yes. But some private insurers offer Excess Flood Protection to cover catastrophic loss by flooding.

IMPORTANT NOTE: Flood insurance requires a 30-day waiting period to take effect. If interested, contact us for more information immediately.

*Cost figures and other information for this article provided by the official site of the National Flood Insurance Program: www.floodsmart.gov



Flood Insurance Facts

- Often, flooding is caused not by a river or stream or other body of water overflowing but by a dam or levee failure, melting snow, a water main break, or an overloaded drainage system.
- Only about half of homeowners living in some of the most flood-prone areas of the country buy federal flood insurance according to a recent study from the Rand Corporation, a nonprofit research organization.
- Almost 25 percent of all flood insurance claims come from people who live in low-to-moderate flood zones according to the National Flood Insurance Program Administration. As reported in the AAA Horizons magazine, "while those in low-to-moderate risk areas are not required to buy flood insurance, it's a good idea."
- Compensation for covered losses is guaranteed because the federal government backs NFIP flood insurance.
- Renters can buy flood insurance to cover their personal belongings.

Test Your Insurance I.Q.

Q. John, I understand there are advanced driver training courses available for teenage drivers and others. What do these courses cover?

A. Yes. Typically, one-half day courses involve learning and practicing how to do a panic stop, how to use ABS brakes, how to control a skid, and how to handle a highway emergency. Instructors also deal with the effect of speed on control of a vehicle, the dangers of tailgating and distractions. Interestingly, several advanced driver firms have opened up their courses to senior drivers too.

We invite you to submit questions for this regular column.

The Personal Touch

By John McBride, Jr.



• **We monitor car and home policies** of all the insurance companies we represent to make sure you are getting the best match to meet your situation and best value possible with the company that underwrites your coverage.

• **Buying a new or used car in the near future? Call us!** We'll make sure you have the right coverage. If you have a loan on a car, you must carry collision and comprehensive insurance. If you do not have this coverage on your existing car, you must add it before you drive the new one.

• **Hands-on suggestion for cold weather driving:** wear sensible gloves for gripping the steering wheel rather than mittens!

• **Vehicle owners can now request a duplicate title online.** This service is one more convenience offered by the Registry of Motor Vehicles (RVM). You can now go online for license/ID renewals, registration renewals, change an address, request driving records, enroll as an organ and tissue donor, sign up for Fast Lane, and more. www.massdot.state.ma.us/rmw/

• **Ice melt tablets help prevent water damage** caused by ice dams. Every year clients suffer severe losses from the water backups that result from damming at eave areas. Also, a roof rake can remove snow accumulation before it can melt and re-freeze into a dam. **Step one this fall:** clear your gutters of leaves or other debris,

YES, we offer the best term life insurance rates in town! Call us for a quote.

FAMILY HOME SAFETY

When was the last time your chimney was checked?

Fire officials recommend an annual inspection and cleaning of chimneys. It is both an energy efficiency and safety issue especially if you use an open fireplace or wood pellet stove. Sooty, dirty chimneys won't draw properly, and the dangers of fire and carbon monoxide poisoning that result from the buildup of creosote (a combustible deposit left by wood smoke) are reduced. Recent statistics from the Consumer Product Safety Commission are sobering: 25,100 chimney fires are responsible for 30 deaths and \$126.1 million in property losses on average each year. The National Fire Protection Association (NFPA) reports that two-thirds of those fires occurred because of "failure to clean."



For more information about home and business fire prevention steps: www.nfpa.org.

McBRIDE SERVICE CORNER
Let us know about lifestyle changes

- You have made major home improvements such as a new room, deck, swimming pool or garage.
- You are starting an in-home business.
- You've reached age 65.
- You have a new driver in the family.
- You have one less driver in the family.
- You've added new home alarm systems.
- You have a child away at college.
- You've purchased expensive jewelry, antiques, art objects, or electronics.

Each of these changes can significantly affect your insurance coverage by leaving you under-insured or over-insured. Call and update us today.

WINTER SAFE DRIVING TIP

You'll need more stopping distance



Stopping on a slippery road takes 50 percent more distance according to AAA Car Doctor John Paul. In an interview that appeared in the AAA Horizons magazine, he also pointed out intersections are sometimes the most slippery places on roads because there is usually a coating of ice topped with a pool of water as the result of melting snow from idling cars.

RISK MANAGEMENT

Low-cost coverage for sewage backup damage

Standard homeowners policies do not cover many types of water damage, including damage from flood, below-surface water or waterborne material that backs up through sewers and drains, and water that overflows from or is expelled by a sump pump or sump pipe.

For protection, you can add a Water BackUp and Sump Discharge or Overflow endorsement to your homeowners policy. It insures your property for damage caused by water or waterborne material (such as sewage) that backs up through sewers or drains. It also covers water damage caused by a sump pump or related equipment mechanical failure.

Call us for more information about this valuable low-cost protection.

Did You Know?

How to avoid dangerous hydroplaning

When you're driving in the rain or through a sizeable puddle, water collects in front of your tires. If the accumulation is heavy, a wedge of water may form. Your tires can ride up on that wedge and leave the road. That's hydroplaning. It can cause temporary loss of control of your car. In a recent column, the famous Magliozzi brothers, Tom and Ray, also known as Click and Clack on NPR, said slowing down is the best way to stop hydroplaning. They also pointed out that "normally, hydroplaning is prevented by the tread design of your tires." Treads have grooves for channeling water through the tire. Another safety factor: good shocks. Shocks keep your tires pressed down against the road surface.



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Yes, we offer competitively-priced business insurance!

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