

Common Insurance Buying Mistakes

By Basil Housewright

Choosing an Auto Insurance Policy by Price Alone - Have you ever asked for a price comparison for auto insurance and found out that the coverage amounts you're quoted on are a little less than what you currently have? Make certain that you're comparing apples to apples or auto insurance coverage amounts to auto insurance coverage amounts. We all like to save money but make sure you are really saving money not just purchasing less coverage. If you receive a low quote for auto insurance and haven't dealt with that insurance agency and/or company before check their reviews and financial stability ratings with AM Best and/or Demotech. Also confirm that the insurance coverage being proposed is as comprehensive as what you currently have. The limits and deductibles can vary widely and many coverages are optional and may not be included on the lower priced proposal. It is highly recommended you consult a local Independent Insurance Agent who can propose many options with multiple carriers to better fit your needs and your budget.

Choosing a Home Insurance Policy by Price Alone - Not all home insurance policies are created equal. Different types (forms) of home insurance policies exist and are being sold in our area. Most prevalent are:

Form HOA+ which is very limited coverage in many areas

Form HOB which is typically the broadest coverage being sold

Form HO3 which is better than the coverage provided by an HOA+ but not as good as coverage provided by an HOB

Deductibles and optional coverages come in to play as well. If you receive a low quote for home insurance and haven't dealt with that insurance agency and/or company before check their reviews and financial stability ratings with AM Best and/or Demotech. It is highly recommended you consult a local Independent Insurance Agent who can propose many options with multiple carriers to better fit your needs and your budget.

Neglecting to Own Flood Insurance Coverage for your home - Over 25% of flood claims in the United States are made by homeowners who live in low risk flood areas (zones). Flooding is the most common natural disaster and a homeowner is more likely to experience flood damage than from a home fire. Flood insurance in most areas cost less than \$1.25 per day or \$450 a year.

Basil is manager of Texans Insurance & Financial Group, Inc a local Independent Insurance Agency operating in Sugar Land since 1991. He can be reached at (281) 277-7800, Fax (281) 277-7801, E-Mail – basil@texansinsure.com. Visit www.texansinsure.com.