



Buyer Beware: Insurance Never Take It Too Lightly

We have all heard the saying, Death, and Taxes; we all experience in life if we are abiding citizens. There is another entity we must have, insurance. Whether it's health insurance, life insurance, homeowners' insurance, renters' insurance, flood insurance, car insurance, art insurance, etc. are necessities. Safeguarding our precious investments is required to ensure that one does not have a catastrophic loss.

A reader recently shared with us an experience with a large insurance company, we will call them Company A. Our reader had their homeowner's policy for decades with their agent at Company A. They never had an issue and when Hurricane Sandy hit, and damage to their home occurred, they had a check in 10 days. Their agent took great care of them. As we all dream of retiring, their agent retired and turned their book of business over to another agent LLC.

This new LLC agent reached out by email (of course never a phone call) numerous times to state they were the new agent. One day, our reader was near the new office at the end of their workday and saw the LLC agent leaving their office. They introduced themselves to the agent and asked about options that may be new for their homeowner's insurance that was coming up for renewal at the end of the month. The agent wrote nothing down, so our reader had little hope of a connection with their request for information.

Our reader received a phone call from the office manager for Company A. The office manager stated to our reader that their policy could be lowered by \$800 to \$1,000 easily due to changes in rates that the “old” agent did not take advantage of. They went on to say that they guaranteed it would be an apples-to-apples representation of what they currently had in their policy.

Our reader was skeptical, and stated to the office manager, “OK, send me what you can do.” They did and when our reader compared the two policies line by line what she found was annoying her. It was not an apples-to-apples comparison, it was an apples-to-any other fruit you can imagine comparison.

Here is what the office manager did to the policy according to our reader:

Dwelling Protection: on the new policy I do not see what the deductible is of other peril and or the clause for Hurricane coverage which was equal to 5% of the dwelling protection coverage liability limit. I now see there is a \$11,140 deductible for hurricane. This was not in my current policy it was included. Same thing with peril my deductible was only 500, you now have it as \$1,000. Water and sewer were also included in my current policy without extra deductibles. You now have 500-dollar deductibles for those.

-I also have building code coverage, you removed that in the new policy.

- I also have workman’s comp coverage on my current policy, you removed that on the new policy

- I see that property insurance adjustment, building structure reimbursement, and wind and hail are added. Please share details on these

-Family liability you lowered the coverage on the new policy. It was xxx on my current policy.

-personal property I see coverage on new policy this was not a line item on old policy

-all peril is now 1000 deductible vs 500

The office manager retorted with:

“Company A has never paid out under the hurricane deductible because we have not had what was considered a true hurricane in NJ, I made no changes in your policy limits.”

Is she serious? We have never had a true hurricane in the state of NJ, ever. She made no changes to the limits? Well, we can agree to disagree here.

A quick trip to Wikipedia would beg to differ with this illustrious office manager from Company A. Below is the list of hurricanes that have occurred in NJ over the years. A first grader could have easily found the differences in the policies. Trust is important for owners with their agents. Our reader lost trust after decades of loyalty to Company A.

Annoyed at the arrogance of the new agent and the apparent gross incompetence of this agent, our reader reached out to another company they have other insurance with and asked for a quote. They received the quote, signed up for the new policy that had better coverage and was approximately \$300 less than their current policy.

The next step was to tell Company A that their services for the homeowners were no longer needed, and the current policy would not need to be renewed. When our reader sent the email to Company A, here was their response.

“If you are going with another homeowner’s carrier, please feel free to take your flood policy with you also.” The owner of the new agency went on to make other disparaging remarks to their client. Our reader took the high road and never responded and just proceeded to renew their policy with another company.

Always take the time to review policies that are sent, never just sign them. You must trust your agent, without trust you lose. Challenging the agents is what is needed. Financial institutions and insurance companies are recruiting people how have zero experience or knowledge of the industries. This strategy can be detrimental to a homeowner if they do not review the policies with a fine-tooth comb. Keep is real everyone, challenge the authority, safeguard your investments!

Source: [List of New Jersey hurricanes - Wikipedia](#)

Name	Year	Number of deaths
Sandy	2012	37 ^[114]
Ida	2021	31
Unnamed	1806	21
Irene	2011	10
Unnamed	1944	9
Unnamed	1878	8
Connie	1955	6
Floyd	1999	6
Felix	1995	5
Fay	2020	4
Unnamed	1940	4
Diane	1955	3
Doria	1967	3
Doria	1971	3
Bertha	2008	3
Maria	2017	3
Unnamed	1933	2
Edouard	1996	2
Isabel	2003	2 (including 1 indirect)
Earl	2010	2
Cristobal	2014	2
Isaias	2020	1 (including 1 indirect)
Barbara	1953	1
Gloria	1985	1
Gabrielle	1989	1
Danielle	1992	1
Bertha	1996	1
Paulette	2020	1
Teddy	2020	1
Maria and Nate	2005	1
Donna	1960	1 (indirect)