



L to R: Albert Gonzalez, Movement Mortgage; Mark Gayer, Gregory & Appel Insurance; Joan Woodward, Travelers Institute; John Fox, JL Fox, Inc.; and Jimmy Dulin, RE/MAX Ability Plus

Travelers Institute and Indianapolis organizations team up to answer questions about insurance

Determining the right insurance coverage to best protect your family, your property and yourself can be confusing at times, but dozens of Indianapolis-area residents learned about the various coverage options on May 18, 2015, during a symposium entitled, *Insurance Essentials: Your Questions Answered*, part of a national series.

Hosted by the Travelers Institute, in partnership with Gregory & Appel Insurance, the Network of Women in Business, the Greater Lawrence Chamber of Commerce, the National Association of Women Business Owners, the Insurance Institute of Indiana and JCI Indianapolis, the event convened experts to discuss insurance coverages and consumer risks, and to provide guidance on buying and selling a home.

Indiana Department of Insurance

Keynote speaker, **Stephen Robertson**, Indiana Insurance Commissioner, explained that the Department of Insurance investigates consumer and business complaints, taking action when necessary. He encouraged audience members to contact the department with any questions or concerns about their insurance company, coverage or a particular claim matter.

Robertson also said that his team monitors the solvency of insurance companies to make sure these companies have the money to pay claims.

“The most important thing that we can do is to make sure the money is there when you make a claim,” he said.

Buying/selling a home

Homebuyers should prepare before they hit the market, and sellers should prepare before they hang that “For Sale” sign, advised **Jimmy Dulin**, owner of RE/MAX Ability Plus in Indianapolis. He stressed that both buyers and sellers should establish a relationship with a real estate agent to help them through the process. Additionally, sellers should get their homes pre-inspected and make any necessary repairs. Dulin explained many buyers today do not have the extra cash on hand to update a home.

“With the lack of discretionary money, the emotional attachment says, ‘Ooh, I want that house,’ but then the logical piece comes in and says, ‘But wait a second, it needs a new bathroom and updated countertops, and I don’t have the cash for that.’”

Dulin urged buyers to ensure their financing resources are all set as they begin their search process.

The loan prequalification process has been tightened in recent years, said **Albert Gonzalez**, Branch Manager, Movement Mortgage. To help stabilize the housing market, lenders have increased their standards for prequalification. He said his company considers four factors for preapproval:

1. Assets
2. Income
3. Employment history
4. Credit history

Once a buyer finds a house, said **Mark Gayer**, Vice President, Gregory & Appel Insurance, they should talk to their insurance agent about homeowners insurance rather than purchase it on the Internet because there are many considerations in choosing the right coverages.



Attendees learn about homeowners, auto, umbrella and other coverage options.



An audience member asks how loans impact your ability to get a mortgage and insurance coverage.

Gayer also advised homeowners to review their homeowners insurance policy annually to make sure it accounts for any changes to the house that require additional coverage, such as a new addition or updated kitchen.

Homebuyers were urged to get the house inspected before purchasing it. **John Fox**, General Contractor and Owner, JL Fox, Inc., said that sometimes buyers get caught up in the excitement of finding a home and do not check for repair issues.

“It’s an exciting point in everybody’s life when they’re buying a new house,” said Fox. “They [homebuyers] don’t really want to look at it that closely because they’re trying to sell themselves on it right away, and that’s the point in time that you really need to shore yourself up, have a little extra protection, and certainly have a qualified home inspection company take a look at it.”

Extreme weather

The panel urged homeowners to make sure their insurance policy has the appropriate protections in place, in case their property is damaged during severe weather, such as hailstorms.

Event moderator, **Joan Woodward**, President of the Travelers Institute and Executive Vice President of Public Policy at Travelers, provided some startling hail-related statistics. “According to the National Weather Service, the average hailstorm lasts about five minutes, but the damage totals about \$1 billion every year.”

In live audience polling, 83 percent of attendees said they did not have a documented inventory of their home’s contents. Gayer said homeowners should keep an inventory to easily recall items that might have sustained damage during a storm, fire or natural disaster. He said documentation can be a simple written list, accompanied by a phone video or photographs of the home’s contents.

Auto insurance

Parents in the audience were told that the most critical time to review their auto insurance is when they add a young driver to their policy. Gayer added that the “good student discount” can be very helpful in mitigating the cost increase.

Umbrella policy

About half of the audience members indicated they have a personal umbrella policy, which provides excess liability coverage in case they are held negligent in some type of incident, such as an auto accident.

Dulin said umbrella policies are very valuable, adding that he advises his real estate agents to carry one, in the event a customer is injured when touring a construction site.

“At the end of the day, you want to protect what you own, what you’ve worked hard to get,” Dulin said. “I would say that regardless of how much you are worth today, protect either what you have or what you hope to have.”

For more educational resources about insurance, visit travelersinstitute.org/insuranceessentials and read the *Travelers Institute*® Insurance Guide.

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