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Subrogation, Oh My!

There are many facets to an insurance claim. One of these is called subrogation. Subrogation means, in a sense, that one party has the right to “step into the shoes” of another party for the purpose of bringing a claim for damages.

Subrogation is the right for an insurer to legally pursue a third party that caused an insurance loss to you. This is done as a means of recovering the amount of the claim paid by the insurance carrier to you for the loss.

If a claim involves water backup, for example, our agency and your insurance company might ask: Can we subrogate the city for water backup claims? The answer is: It depends.

If our agency receives notice for such a loss from you, an investigation is required to determine if the city, township or county were responsible for the damages. Responsibilities of the city, township or county can include any of the following:

- Maintenance
- Blocked sewer lines
- Malfunctions

Protect Your Business or Family With Disability Insurance

May is “Disability Income Awareness” month, which makes this a good time to share information about the benefits of disability income insurance. Think of this coverage as insurance for your paycheck, as this product can help protect your earned income if your health suffers a setback.

Disability income insurance is a protection product that provides benefits while you are unable to work. If you become sick or injured and are unable to earn income, will you still be able to pay your bills and keep the lifestyle you are accustomed to?

The difference between workers’ compensation and disability income insurance is with workers’ compensation, you have to be injured on the job in order to collect. Disability income insurance, on the other hand, covers you no matter where you suffer an injury or illness. It can help you maintain your lifestyle and pay bills while you are unable to work.

Auto-Owners disability insurance can protect you 24 hours a day, seven days a week, with worldwide coverage.

There are many benefits to having an Auto-Owners disability income policy. Full coverage can provide for any



length of benefit periods you want to select. For example, it can cover a two-year period, a five-year period, or even a benefit period to age 67. And you can tailor the policy to your needs by adding any of the 10 riders available.

Knowing how important a disability income insurance policy can be to protect not only your loss of income but all of your family needs due to that loss of income, doesn’t it make sense to make sure you have this insurance in place?

Contact our office for more details on how we can provide you with this coverage!

(Disability income product and features are not available in all states.)

Subrogation CONTINUED

When a governmental entity is negligent for a loss, subrogation needs to happen quickly. Subrogation involving governmental entities such as cities, townships or counties requires a notice of intent as soon as the loss occurs. Some have a 30-day notice requirement.

Documentation of the loss is imperative when submitting a subrogation demand to a governmental entity. Here is what you can do to help document your damages:

- Snap photos of areas damaged by water and all possessions to be disposed from the loss.
- Make a detailed list (including ages and values) of possessions damaged from the loss and gather any receipts you may have for the damaged items.
- Hold on to the broken water pipe or sump pump and make it available for inspection.

Like any claim, you need to take appropriate steps to avoid further damage; but be cautious regarding the disposal or replacement of products. Keep receipts and invoices for any purchases or repairs you completed to help mitigate your damages. Without documentation and evidence, collection for the paid claim, including your deductible, can be challenging.

How to Save Time and Money With Your Insurance Audit

The word “audit” can increase a person’s heart rate and send butterflies racing to their stomach, but a commercial insurance premium audit should not be an occasion for worry.

The annual audit process ensures that you pay only for the exposure presented by your business operation. Informing our agency of changes to your business operation throughout the year can eliminate audit surprises.

When you receive a mail or phone audit request, or a physical audit scheduling letter, it confirms:

- The date the information is needed by or the date of your appointment with the auditor
- The policies being audited
- The records you need to provide
- The audit period

Be sure to let the auditor know if the date and time are inconvenient, so a mutually agreeable date and time may be arranged. Auto-Owners uses company auditors as well as third-party auditors for the audit process.

Good record-keeping practices and compiling the information prior to the audit has a large effect on the time required. A phone audit usually takes less than 15 minutes, and the typical physical audit less than one hour to complete. As the audit contact, you are not usually required to be present for the entire audit process.

Once an auditor has verified that the records are adequate to proceed, and has an understanding of your business operation, they will enter the required information into an audit worksheet. The auditor will need to discuss the job duties for each employee, laborer and uninsured subcontractor.

For a physical audit, it is normal for the auditor to discuss the results of the audit with you and to provide a copy of the audit worksheet for your records. The auditor may provide a copy to our agency as well.

Hopefully this information makes the word “audit” less intimidating and provides some understanding of the process. Contact our agency for any additional questions. We thank you for your business!



Caring for Your Precious Possessions



We all remember the day we received our diamond engagement ring, those opal earrings for a special birthday or the emerald pendant gifted to us by our family. Those items are near and dear to our hearts, so they should shine like the North Star for a lifetime.

Although jewelry store lighting can make anything sparkle, we shouldn't have to wait until we visit the jeweler to appreciate the brilliance of our gems. If you want your jewelry to maintain that out-of-the-box shine, we have some tips for you!

- Many gemstones are sensitive to sudden temperature changes or extreme temperatures. Depending on the gemstone, exposure to excessive heat or cold can cause discoloration, fading, cracking or even melting.
- Take rings off before using hand creams or lotions to prevent buildup of oil and dirt.
- Believe it or not, hairspray can cause permanent damage to many kinds of gems.
- Remove jewelry before cooking, housework, gardening and sunbathing.
- Any time a gemstone comes in contact with another, the softer piece suffers damage. Try to store items in separate compartments or boxes. Many jewelry boxes offer this type of storage.
- Organic gems such as amber, pearls and coral need to breathe, so never store these in plastic. Porous stones such as turquoise and opals need exposure to fresh air and humidity and will deteriorate in dark, dry places. Wrap breathable gems in a soft cloth.
- Acids found in many types of cleaners will discolor, if not destroy, most jewelry. Keep chemicals away from precious metals such as gold, silver and platinum.
- Be careful when cleaning your jewelry and always use a soft touch. Rinse in a glass of water versus under the faucet, just in case your stone came loose during cleaning.

Exercising care for your gems will allow them to show their brilliance for years to come!

Auto-Owners
INSURANCE

LIFE • HOME • CAR • BUSINESS