



***Auto-Owners***  
INSURANCE  
LIFE • HOME • CAR • BUSINESS

# INSURANCE UPDATE

OCTOBER - DECEMBER 2018

## Bonfires, BBQs & Burn Barrels

Fall is a beautiful time of year, prompting friends and family to venture outside to enjoy time gathered around a fire. Whether your choice is a grill, bonfire or burn barrel, the primal pull of fire helps people bond as the summer heat begins to wane. Here are a few tips to help you safely enjoy your fall!

### **Grills and Barbecues**

- Ensure your grill is set away from your home, garage, eaves and overhanging branches.
- Check grill gas tank hose for leaks before using.
- Avoid moving a hot grill.
- Keep grill clean; remove grease/fat buildup.
- Never leave your grill unattended.
- Keep children and pets safely away from grill area.

### **Bonfires and Burn Barrels**

- Review local ordinances; verify burn permit requirements.
- Have fire extinguishing equipment available: garden hoses, fire extinguishers, rakes, shovels. (Flashlights, cellphones and first-aid kits also often prove handy.)
- Keep children and pets at a safe distance.
- Make sure your outdoor gear (furniture, tools, mowers, etc.) is located at a sufficient distance from the fire.
- Do not use accelerants to start a fire.

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# Life Options for Seniors

What type of insurance policy will you need as a senior citizen after the mortgage is paid off, bills are minimal and your life insurance policy remained with your employer after you retired?

Would you need a term life insurance product, or would it be more prudent to get a whole life policy to cover final expenses? How much coverage would you need at this point in your life? These are some crucial questions that you may need to ask yourself.

We all know that life insurance gets more expensive the longer we wait to buy it. This cost of protection may not have been an issue in prior years because of your good health or age.



Now that you're older, it's a good time to review policies and determine your options. Usually underwritten policies are less expensive than automatic issue policies, but you should ask questions to make sure you get the coverage that's right for you.

Do you still need to have some sort of protection for final expenses? Do you plan to leave a policy as a legacy for your beneficiaries? Sometimes you are the one providing peace of mind for living expenses for loved ones, based on your income. When family members depend on this earned income to support them, you shouldn't go without life insurance protection.

Some types of life insurance that may be available to seniors are level term policies, permanent whole life, or a universal life product. All of these options are offered by Auto-Owners Life Insurance Company.

Term products get more expensive after the first term and may result in an annual renewable term later in the policy. Whole life premiums can be anticipated to remain level for the life of the policy and will not expire until age 110 or after. Universal life can be structured in many ways and it gives you the freedom to determine the premium based on your needs.

Just because you may be older doesn't mean you don't have a need for life insurance, or that you are not insurable due to health issues. Learn about your options and don't shy away from buying coverage.

Contact our office to learn more about your life insurance options.

## Bonfires, BBQs & Burn Barrels CONTINUED

- Avoid wearing flip-flops/walking barefoot near the fire.
- Never leave the fire unattended.
- Pay attention to wind direction and strength.
- Properly extinguish the fire. In the wise words of Smokey Bear, "If it's too hot to touch, it's too hot to leave."

If a fire accidentally damages your property or a neighbor's, contact our office regarding coverage for damage under your Auto-Owners homeowners insurance policy.



# Zero-Incident Vision: It Can Be Achieved

Your favorite sports team does not start the season with a goal to lose games. Similarly, businesses should never have the mindset that near-misses and incidents (accidents/injuries) are just part of life and are to be expected.

Winning a game and preventing incidents both have a lot in common: They both take effort and commitment, and they both have a positive outcome.

Just as players on a team prepare for games by visualizing a win, businesses should start the year or each week with an emphasis on protecting employees and stopping losses. Focusing on preventing incidents ultimately creates a zero-incident vision.

While some teams do lose games, they focus on winning each one and progressively get better. Businesses should also set realistic goals to get better. By continually improving they will develop a culture that can support and maintain a successful zero-incident vision.

## KEY BELIEFS TO FOLLOW TO ACHIEVE THE VISION:

- All incidents are preventable
- Safety is the No. 1 value of your overall culture
- Management is committed

## HIGH-LEVEL ACTION ITEMS:

- Hazards and exposures: Identify what could cause an incident or loss
- Controls: Develop and implement the necessary safety controls and actions to eliminate and prevent the hazard
- Monitor: Determine if what you implemented is working
- Take action: Make the necessary improvements to enhance your controls



## EFFECTIVE STEPS TO ASSIST IN ACHIEVING YOUR ZERO-INCIDENT VISION:

1. Management should lead by example.
2. Make sure employees understand your safety rules and that safety performance is enforced.
3. Get employees involved in the process – ask for their input and involvement.
4. Routinely communicate safety messages and reinforce your safety performance expectations.
5. Reward safe performance – focus on the positive.
6. Be proactive to prevent incidents.
7. Determine root causes if an incident does occur and take corrective action.
8. Get everyone within the organization committed to your safety culture and the zero-incident vision.



# It's Time to Rethink Flood Insurance

Floods are the nation's most common disaster, and also the costliest, according to the Federal Emergency Management Agency (FEMA). Each year, U.S. homeowners suffer billions of dollars in flood-related damages.

Unfortunately, many people's homes are unprotected from flood damage. Is yours among them?

**If you think you do not need flood insurance because you do not live in the 100-year flood plain, consider this:**

A common misconception is floods happen only in the mapped 100-year flood zone. Nearly 80% of the flood losses from Hurricane Harvey in Houston were outside the 100-year flood plain. The average loss was over \$130,000.

Flood maps do not indicate flood risk greater than the 100-year event; they may be outdated and do not indicate all sources of flooding. Also, Mother Nature cannot read a flood map. This means your potential for flooding may be much greater than it appears on the map.

**If you think your current property coverage will cover your flood loss, consider this:**

Unfortunately, most homeowners policies will not pay for damage due to flooding. While some companies provide coverage for events such as sewer backups, payment for damage from rising flood waters requires a separate policy or endorsement for coverage.

**If you think the federal government will help you, consider the following:**

FEMA grants are not the same as insurance. They are not intended to "make you whole." They are usually not enough to get a household back to how it was before the disaster. The average FEMA disaster grant is only about \$5,000.

Most federal assistance is in the form of a Small Business Administration loan; a loan you must pay back with interest.

Also, federal disaster assistance is available only for presidentially declared disasters. That means the local storm that flooded just your home and a few others in your neighborhood will not qualify, and no federal assistance will be available.

**If you think flood insurance is too expensive and that you could afford the average flood loss, consider this:**

The average flood loss for the year ending May 2018 was just under \$35,000. Could you absorb that without assistance? Flood insurance can be the difference between recovering and being financially devastated.

For more information on obtaining a flood insurance policy, contact our office.

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