

Insurance Talk Winter 2016





Driver Stung By Contributory Negligence

Our daughter Kelly lives on a typical suburban street. One afternoon, heading home from work, she noticed a parked car in front of her house. As she turned right into her driveway the parked car started to move forward. The two cars collided.

The damages to Kelly's car exceeded \$7,500. As a former claims adjuster, she disagrees with the 10% deduction by the other insurance company. She plans to seek arbitration. As you might expect, Kelly had the right-of-way so the other motorist was responsible. However, since Kelly did not use her turn signal, she was considered to be 10% negligent. That meant the insurance company for the at-fault driver was only willing to pay 90% of the damages.

\$12,000 Tow Bill Included in Cost of Accident

We insure trucks of all types. While negotiating a freeway ramp, the driver of the truck in the photo lost control. He managed to pin the truck in a rather precarious manner. In addition to causing significant damage to the truck, the tow bill was \$12,000. Collision insurance covers the repairs to the truck as well as the tow bill.

The driver of this truck has a medical condition that may have played a role in this accident. He is no longer able to drive a truck.

In a similar situation a few years ago, a driver for a different company lost control and ran his truck off the road. It resulted in a large claim. His medication had just been changed. Earlier that morning, people at the company noticed he was acting strangely.



Although the damage to this truck was costly, the customer elected not to file a claim. His claim history is important so he decided to absorb the cost on his end.



Expensive Rental Car Insurance Not Needed

In October our family traveled to Connecticut for a wedding. I rented a van from Hertz and listed my son-in-law John Berry (in photo) as an additional driver. Since my personal car insurance extends to a rented car, I did not buy the expensive insurance they sell at the counter.

So what would happen if I returned the van with damage? As the name on the rental contract, I am responsible for the repair cost. Hertz would most likely repair the car and send me the bill. I would submit it to my insurance company who would adjust the claim. Cincinnati Insurance writes my policy and they cover damaged rental cars without a deductible, something quite rare in the industry.



New Insurance Program for High Value Homes

Cincinnati Insurance introduced a new policy for high value homes. This past summer my wife and I visited Washington DC. We came upon a stately mansion that would be ideal for the new program. It was nicely maintained and security abounded. However, since the occupant is government subsidized, the house would not fit the program.



During inspections of commercial buildings we often see items stacked high against the ceiling. Sometimes the sprinkler heads get blocked.



Contractors Surprised by Actual Cash Value

We insure construction equipment ranging from small tools to \$500,000 road grading equipment . When items of this type are damaged or destroyed, the claim adjuster subtracts an amount for depreciation. At times our customer is disappointed and expects a check for the full replacement cost.

Unfortunately, construction equipment is covered for the Actual Cash Value, not the amount to buy a new one. One of our customers had an item stolen that was listed on the policy for \$4,000. However, the actual cash value was less than \$2,000. "Hey Ralph, I paid for \$4,000 coverage and got less than half. What gives?" Such questions are difficult to answer.



Boat Hull Cracks Cause Unknown

One of our customers filed a claim because the hull of his boat cracked. In search of a cause, the insurance company ordered an inspection. When the inspection could not determine a cause, a second inspection was ordered. Neither could say what happened to the boat.

Step #1 in the claim process is to determine the cause of the damage. Only then can coverage be determined. This one was a mystery. Even the manufacturer was stumped. To resolve the matter, the insurance offered a compromise settlement which was accepted by our customer.

Construction Equipment Attracts Attention

This past summer, my sister and brother-in-law installed an in-ground swimming pool at their house. While the construction was underway my sister had a party at her house. Imagine my surprise when I wondered outside and found our grandchildren and a niece climbing on a piece of construction equipment (see photo). After taking this photo, I sent the kids back into the house, away from the equipment, the open hole, and other (unfenced) attractive nuisances left by the construction company.









Many Homeowner Claims Related to Water Claims for My Sister and Brother Just Days Apart

My sister Carla lives in Fairfield CT. While away for the weekend, the expansion tank on her hot water tank sprang a leak (left photo). By the time is was discovered, there was quite a mess. The amount of her claim was just under \$15,000.

My brother Mike lives in Cincinnati. During an overnight trip to Columbus he returned home to find a mess of his own. The toilet valve in his upstairs bathroom (center photo) failed causing water to run for hours. The amount of his claim was just under \$6,000.

Recently, my wife and I were away from our house on vacation. Before leaving, I'm normally the one that turns the water off. I thought it was something Lynn should know how to do (right photo). After a tug, she had no trouble operating the main shutoff valve.

Homeowner Policy Can Cover Many Special Items

From art supplies to windsurfers, homeowner policies can be expanded to include a variety of special items. For example, musical instruments like the one in the photo taken at an OSU football game. We once paid a claim for damaged dentures. Need to cover horse tack? No problem, that works too. Last month we quoted coverage for a mobile device used to assist an elderly person. For \$2,000 coverage, the premium was only \$25.





The plant we visited was cold and the floor was wet. At least we got to wear fancy clothes.

Loss Control Services

The insurance companies we represent offer loss control services as part of the insurance package. Such services involve a visit from a loss control rep who identifies hazards and promotes safety. My daughter Kelly and I rode along with the rep while he visited a food processing company we insure (see photo).



Builder's Face Special Risks

Like the shopping center in this photo, we insure many projects during the course of construction. The most unusual claim we paid was for a building under construction in Saginaw MI. High winds blew the walls over and we paid for them to be rebuilt. A few days later, the wind blew the same walls over a second time.



Storytime with Papa "If papa bear had locked the doors and set the alarm, this whole mess could have been avoided"



Reconnecting w Clergy

Lynn and I were married 35 years ago. Father William DeVille performed the ceremony. While attending a social function last month, we ran into him and took this photo.

We insure a number of churches. Clergy and Counselors Professional Liability coverage is available. It covers errors and omissions committed by members of the clergy or certified counselors.



Dog Sitter During a recent time away from home, my wife and I arranged for a dog sitter. We liked the idea of someone watching the house and dog. Plus, we liked the idea of Sadie being in familiar territory.

Business Needs Special Coverage for Cash

One of our customers makes food deliveries to carnivals and festivals (see photo). The preferred method of payment in that business is cash. Since money loss is not part of a standard commercial insurance policy, special coverage was needed.

There were two exposures presented. First, the possibility that money would be lost or stolen. Second, the possibility that the employee might keep some of the money. Special coverage was arranged in the amount of \$50,000.



Hartmann Case Lasts When I graduated from OSU in 1978, my wife Lynn (then girlfriend) got me a Hartmann briefcase. It was an expensive gift but Hartmann is a top brand. The case lasted for 36 years. Now my grandson enjoys it.



Our granddaughters were excited about a game that offered goldfish as a prize. To win, they needed to land a ping pong ball into a cup of water. It took about \$12 of throws to win two goldfish. Upon winning, the vendor sold us a plastic tank for the attractive price of \$8.

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