



OHIO *Department of*
INSURANCE
ohio shopper's guide series

Homeowners Insurance

Helping you get the most from insurance that protects you, your home and personal property

1-800-686-1526
www.ohioinsurance.gov

Bob Taft – Governor
Ann Womer Benjamin – Director

From Ohio Governor Bob Taft and Department of Insurance Director Ann Womer Benjamin:

For Ohioans and others across the country, home ownership is a major part of the American dream. However, buying a home is only part of the equation; it is often the largest single transaction most of us will undertake in our lives. Protecting this investment is as important as purchasing the home.

The Ohio Department of Insurance has produced this Ohio Shopper's Guide to Home Insurance to help you navigate the purchase of home insurance and to take the mystery out of insurance and other issues so that you may secure the affordable protection you need.

This guide describes the different policies that are available to Ohio homeowners and breaks down the underlying factors that go into the coverage and pricing available for your home. You will also find information on ways to make your home safer, to lower your insurance premiums, and to assert your rights as homeowners.

The Ohio Department of Insurance has taken information from insurance companies and is providing sample premiums in this guide, based on the type of policy, the amount of coverage and the home's location. These samples and other comparisons are designed to give you, the insurance consumer, guidance in choosing and evaluating your policy coverage and cost.

You will also find in this guide a comparison of consumer complaints the Department of Insurance has received about home insurance companies. We want you to be comfortable with the companies to which you are entrusting the protection of your homes and families and, at the same time, to obtain the best coverage at competitive premiums.

If you have questions or need additional information, the Consumer Services Division of the Ohio Department of Insurance is ready to help. Most questions or issues can be addressed by one of the Department's insurance experts or referred for proper assistance. You can reach the Consumer Services Division of the Ohio Department of Insurance at 1-800-686-1526 or by logging onto www.ohioinsurance.gov.

Enjoy your home, condo or apartment and remember – the Ohio Department of Insurance is here to help you with any questions or problems you may have!

Sincerely,

Bob Taft
Governor

Ann Womer Benjamin
Director, Ohio Department of Insurance

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Why Buy Homeowners Insurance?

Owners: Protect your house and personal property.

Tenants: Protect your personal property.

Owners and Tenants: Protect yourself against liability for accidents that injure other people or damage property.

Homeowners Insurance at a Glance

Homeowners insurance may pay for repairing or rebuilding your damaged home, temporary shelter if your home is uninhabitable, damage to your home's contents and your personal belongings that are damaged or stolen. It may also cover medical expenses of injured guests, damage to someone else's property and legal fees and court judgments if you are found to be liable. **But only if** a covered "peril" (see glossary) caused the **loss** and *you* did not intentionally cause the loss.

Find What You Need: Insurance companies generally **offer** many policy choices with varying coverages and **exclusions**. You can add coverage with **endorsements** to meet your individual needs.

You could lose your insurance and be forced to shop for another policy as a result of non-payment of premiums, poor home maintenance or too many **claims**.

You can shop for insurance from more than 100 companies authorized to sell homeowners insurance in Ohio by using a local agent or shopping by mail, phone or the Internet.

*To assist you in shopping and with policy and price comparisons, please refer to the sample premiums that are in the back of this book, or online at **www.ohioinsurance.gov**

Homeowners insurance cost is affected by many factors, including

- The type of policy and amount of coverage chosen by you;
- Additional coverages selected, as well as **deductible** levels;
- Where you live;
- The type, age, and condition of your home; and
- Credit and claim history.

Homeowners

Insurance

at a

Glance

Editor's Note:

Words in *purple*
are defined in the
glossary on page 29

Perils & Policies

Peril is the word the insurance industry uses for any event that could damage your property.

Most policies have two sets of perils:

- (1) Covered Perils
- (2) Excluded Perils (not covered by your insurance policy)

Policy Choices - read your policy very carefully

While each insurance company prepares its own contracts, most sell policies that are similar. The form number on a typical policy usually includes one of these labels:

HO-2 & HO-4 The Broad Form

These policies list EVERY covered peril. The policy will not pay for any peril not listed!

HO-3 The Special Form

The HO-3 is the most common homeowners policy today. Instead of listing the perils it does cover, the HO-3 policy lists the perils it does not cover. The policy will pay when the building damage is caused by any peril (subject to limitations in the policy) that is not on the list of exclusions. The HO-3 coverage for contents (personal property rather than the structure) is identical to the HO-2.

HO-4 Tenant (or "renters insurance") The Broad Form

The HO-4 policy insures the contents of your rented home but not the building itself. It lists every covered peril.

HO-5 Comprehensive Form

The HO-5 covers most types of damage except earthquakes, wars and floods.

HO-6 Condominium

The HO-6 policy insures your condo contents and only the portion of the building you own (such as the interior walls) independent of other owners. Know what part of the building your insurance covers and compare it to the parts covered by the condo association - make sure the gaps are filled.

HO-8 Market Value

The HO-8 policy insures the structure based on its "market value." If your house burns down, the policy will pay no more than it would have sold for on the day before the fire.

Mobile Homeowners insurance

Companies use a special policy to insure mobile homes (with or without the wheels). These policies are not as standardized as other home policies, so read them carefully! Physical damage coverage for a mobile home may differ significantly from standard homeowners policies.

Typical exclusions for the HO-2, -3, -4, -5 and -6 forms

Typical exclusions include earthquake, flood, water damage (sewer backup or a basement leak), power failure off your premises, poor home maintenance, war collapse, nuclear hazard, intentional acts of an insured, laws and ordinance enforcement (such as building codes). Be sure to review your policy's exclusions and limitations so that you know what is not covered. You can usually purchase additional coverage for most items that are excluded under the policy.

Perils

&

Policies

How Much Coverage is Adequate for Me?

Reasons to properly insure your home and contents

- **Bank Requirements:** If you have a mortgage on a house, the bank will require you to insure the house for at least the amount of the loan which cannot exceed your cost.
- **Policy Requirements:** Most policies will require you to insure the house for at least 80 percent of the replacement cost. If you have less coverage than 80 percent of the home's replacement cost, the company will pay only part of any repair bill. You may pay much more in out-of-pocket costs in the event of a claim.
- **Financial Protection:** Liability coverage that pays if you are legally responsible due to bodily injury or property damage to others. The insurance company will negotiate a settlement, defend you in court and pay any judgements, subject to policy provisions.

Guaranteed replacement cost

To protect you against accidentally underinsuring your house, many companies offer **guaranteed replacement cost** policies. The following demonstrates how these policies work.

- You have your house insured for 100 percent replacement cost and you accept increases in both policy limits and premiums at renewal;
- The company will pay the cost to rebuild or repair your house, even if factors such as inflation have increased cost above the insurance coverage;
- Depending on the policy, you might not be covered for "ordinance and law" - a provision that pays for needed upgrades to meet building code requirements. You may need to add ordinance and law coverage, if available; and
- Total loss homes with replacement coverage must be rebuilt on the same location.

The risk of being underinsured

If you have a claim you may expect that the insurance company will pay the full cost of replacement or repairs. This only occurs when your house is insured for at least 80 percent of the replacement cost to rebuild the structure. If your home is insured for less than 80 percent of the replacement cost, the company will pay only part of any repair bill.

An example of the danger of underinsuring your home

If the replacement value of your home is \$100,000, the minimum coverage a policy may require is 80 percent or \$80,000. If you are covered for \$60,000, the insurance company will pay only 75 percent of the repair costs for any damage. You are responsible to pay the rest. If a storm, for example, causes \$1,000 in roof damage, the policy will cover 75 percent, or \$750. The company will then subtract the \$250 deductible and pay you only \$500 for repairs. The remaining \$500 will be your responsibility to pay. These percentages hold true as the cost of the claim rises and you remain underinsured.

Coverage

Requirements

Personal Liability Coverage

Personal liability coverage is automatically included in all homeowner and tenant insurance policies. This coverage protects you against a claim or lawsuit resulting from bodily injury or property damage to others caused by your negligence. It has a dollar limit on the amount the insurance company will pay on a claim. It covers you and family members residing in the home, including dependants under age 21 that live elsewhere, such as college. This section of the policy also pays when you are legally obligated to cover damages because of something that happened on your property (e.g. someone falls) or as a result of your personal activities (e.g. hit a ball through a neighbor's window). The company will pay to represent you against a liability claim or lawsuit; there are no policy limits on legal expenses.

The following is a sample of common liability coverage:

- Personal liability: \$100,000
- Medical payments: \$1,000
- Property of others: \$500

Medical payments (MedPay)

Regardless of who is at fault, this coverage pays medical expenses for persons accidentally injured on your property by a member of your family or by your pets. MedPay payments do not apply to injuries to you, to family members living with you or to activities involving your at-home business. You should check with your agent or insurance company to determine if the amount of medical payments coverage is sufficient.

Damage to property of others

This type of coverage pays if you lose or damage someone else's property. Typical **exclusions** include the following:

- Intentional acts that injure someone or damage another's property,
- Claims resulting from business or professional activities, or
- Injuries or damage you cause by operating a car, plane, or motorboat.

How liability coverage works

The insurance company will first try to settle any liability claim. If all goes well, you will probably never hear about the claim again!

If you are sued, you will receive a summons or notice of a lawsuit; you should **immediately** notify the company, which will appoint a lawyer to represent you. You may find it prudent to consult your own attorney as well. If you lose in court, the company will pay up to the policy limits. If the court **settlement** is more than your policy limits, you will have to pay the difference. Consult with your own attorney beforehand if it appears that your policy will not cover the entire settlement, or if you are unsure about your possible liability. Also, remember that if you are accused of intentionally injuring someone or intentionally damaging property, the insurance company may refuse to defend you.

For more protection, many companies offer "umbrella" coverage to let you increase your liability protection beyond the homeowners policy limits. You may be able to buy an umbrella to protect yourself from the possibility of a huge negligence lawsuit. However, many companies offer this coverage only if they insure both your car and your home.

When someone is injured on your property

- Immediately write down who, when, what, how it happened and ask any witnesses to do the same;
- Call your insurance agent or company and file a report: do **not** wait for the injured person to make a claim;
- Tell the injured person how to contact your insurance company; and
- Cooperate with the **claims adjuster**.

Personal

Liability

Coverage

Insuring Your Personal Property

Personal property is defined for insurance purposes as the tangible assets that fill your home. In other words, it is the contents of your home and other belongings owned by you or family members who live with you. Your policy will have an overall limit on how much it will pay for all personal property involved in a single claim. The typical limit is a minimum of 50 percent of the home's insured value.

Separate Limits: Policies have separate limits on such things as jewelry, computers and fur coats. Your computer may be covered for \$2,500, and if the computer is worth more than that, you may increase your coverage by adding a scheduled limit.

Personal Property Claims

There are two different ways that policies will pay for personal property damage: **Actual Cash Value (ACV)** or Replacement Cost. Below is an example of ACV versus Replacement Cost using a stolen television set.

Actual Cash

Value

vs.

Replacement

Cost

Actual Cash Value (ACV)

ACV coverage pays no more than the TV's value on the day it was stolen or destroyed. Usually, ACV equals the current replacement cost minus **depreciation**. If you paid \$500 for the TV five years ago and its value is now \$100, a policy with ACV coverage will pay only \$100 after you pay the deductible. If your policy has a \$250 deductible, you would collect nothing because the TV's current value is lower than the deductible.

Replacement Cost Coverage

After you have paid your deductible, you are entitled to the cost of replacing your lost TV with a comparable new TV at today's price. However, you must have proof that you have bought the new TV. The insurance company may pay you only the actual cash value if you do not have proof of purchase.

After-the-Fact Expenses

Repairing your house is only part of the expense of recovering from a disaster. Fortunately, insurance policies usually pay for reasonable "after-the-fact" expenses.

- **Additional living expenses:** room and board (e.g. stay at a hotel or motel) while you are unable to use your house
- **Trees & shrubs:** a set amount for damage to specified items
- **Temporary repairs:** boarding up windows or other temporary repairs to minimize additional damage (a reminder - the insurance policy requires the insured to take steps to *minimize further damage*, such as boarding up windows)
- **Fire department charges:** some communities charge a fee for emergency response, some policies provide reimbursement for up to \$500
- **Debris removal:** removing damaged property from the premises after a loss.
- **Property removed:** 30-day coverage for personal property stored at another location while your house is being repaired. (Covers property at stored location, does not cover cost of storing)

Flood, Earthquake and Mine Subsidence Coverage

Flood Insurance

Because of the potential for catastrophic losses, private insurance companies are reluctant to assume the risk of writing flood insurance which prompted the United States Congress to create the **National Flood Insurance Program (NFIP)**.

You cannot buy flood insurance unless your local government qualifies for the **NFIP**. To qualify, a community must adopt flood-plain management regulations to reduce the possibility of floods. Most local governments in potential flood areas qualify, but many homeowners may not be aware they need to buy the coverage. Your insurance agent or company can tell you whether your town qualifies. For a free booklet on flood insurance call the National Flood Insurance Program at 1-800-638-6620.

There are more than 34,500 NFIP policies in force in Ohio and over 278,000 structures worth \$11 billion located in Ohio flood plain areas.

Buying Flood Insurance

Contact your agent or insurance company. Although flood insurance is a federal government program, private insurance companies sell the policies. If your community qualifies, flood insurance is available on almost any enclosed building and its contents, and ***you do not have to live in a flood plain to buy flood insurance***. If your community has taken necessary steps to control flooding, you can insure a building for up to \$250,000 and contents for as much as \$100,000. Your home will be covered 30 days after your application and premium are received by the NFIP.

Earthquake Coverage

While there has been no major earthquake in Ohio for more than 100 years, there have been numerous small ones. Most companies sell earthquake endorsements and since the risk of a serious earthquake in Ohio is fairly low, coverage is relatively cheap. The deductible, however, is relatively high and typically ranges from two- to five-percent of your home's insured replacement cost. Brick or masonry homes are more likely to be damaged by an earthquake than a frame house, so if you own a brick home you will pay more for earthquake coverage. Without an earthquake endorsement, there is no coverage under your homeowner's policy.

Flood

Earthquake

&

Mine

Subsidence

Coverage

Mine Subsidence (sinking) Coverage

Ohio has a fund to insure property that is in danger of sinking due to its proximity to an old coal mine. There are more than 4,000 abandoned coal mines in the Buckeye state. All residential policies sold in mandatory coverage counties must protect against damage caused when an underground mine sinks (subsides).

The policy pays up to the home's insured value or \$50,000, whichever is less, with you responsible for the deductible. The deductible is two percent of the insured value at a minimum of \$250 and a maximum of \$500. Contents, barns and other outbuildings are not covered.

Optional coverage for mine subsidence is available to residents of Delaware, Erie, Geauga, Lake, Licking, Medina, Ottawa, Portage, Preble, Summit, and Wayne Counties. Ohio counties with automatic coverage for mine subsidence and the number of old mines in each county include:

	Athens	272	Mahoning	82
	Belmont	283	Meigs	137
	Carroll	101	Monroe	1
	Columbiana	194	Morgan	28
	Coshocton	192	Muskingum	291
	Gallia	86	Noble	48
	Guernsey	141	Perry	356
<i>Ohio's</i>	Harrison	73	Scioto	32
	Hocking	193	Stark	299
	Holmes	34	Trumbull	24
<i>Abandoned</i>	Jackson	212	Tuscarawas	419
	Jefferson	281	Vinton	108
	Lawrence	97	Washington	17
<i>Mines</i>				

Other Insurance for Homeowners

Protecting your investment

Credit insurance protects you if you are unable to make your mortgage payments due to injury or death. It is usually available at the time you take out your loan. Credit insurance is optional, which means you don't have to purchase it from the lender. In fact, it's against the law for a lender to deceptively include credit insurance (or other optional products) in your loan without *both* your knowledge *and* permission.

There are two main types of credit insurance. **Credit disability insurance**, also known as accident and health insurance, makes payments on the loan if you become ill or injured and can't work. **Credit life insurance** pays off all or some of your loan if you die.

1. **Credit disability:** A credit disability policy promises to pay your loan payment if you are unable to work because of illness or injury. Credit insurance policies spell out what has to happen before they start making your loan payments. Check the policy very carefully to make sure you understand what is covered and what is excluded. For example, coverage may be excluded for health problems you already have when you buy the policy ("pre-existing conditions").
2. **Credit life:** Credit life insurance is simply a term life policy written for the same amount as your loan. The amount of the policy decreases every year but premiums might not - **so you may find it less expensive to buy a simple term life insurance** policy rather than a credit life policy. You do not have to buy credit insurance, but if you choose to do so, you have the right to shop for the policy that best suits you. Banks often sell their customer lists to insurance companies or include credit life sales material in mortgage statements, so you are likely to receive offers for credit life insurance in conjunction with your loan.

Other

Insurance

for

Homeowners

Protecting the lender

Title insurance

Title insurance protects the homeowner and lender against possible problems with the deed to a house - missing heirs, old mortgages or easements, etc. A homeowner's worst nightmare is that a stranger shows up some years from now claiming to be the rightful owner of the house. If the stranger has a legal claim to the house, it is the title insurance company's financial responsibility to pay for the mistake.

But, the policy included in your closing costs probably protects only the lender. The title insurance company will pay the lender the balance of your mortgage and you will lose the title (plus any equity you have in your house), unless you also bought owner's title insurance,

Private mortgage insurance (PMI)

If the down payment for your home was less than 20 percent, banks normally require you to buy Private Mortgage Insurance (PMI); premiums are built into your mortgage payments. PMI protects the lender if you default on the loan; PMI does not protect you.

With specific exceptions, after you have made enough mortgage payments to reach 22 percent equity in your home (based on the original property value) and your mortgage payments are current, the PMI premiums should be terminated automatically. However, you should follow up with your lender to confirm.

Shopping For Insurance

Wise shoppers look for more than price

The process of choosing the proper policy for your home must take into account many important factors. The policy offered at the lowest cost may not offer the level of insurance protection you need. If you have been satisfied with your company's service in the past, it may not be wise to jump to an unknown company to save a few dollars. If you have not been satisfied with your company or if you are shopping for the first time, ask friends and relatives for references about the service they have received from companies they have used.

What determines the amount of your premium?

- **Type of construction:** frame houses usually cost more to insure than brick
- **Age of house:** new homes may qualify for discounts
- **Local fire protection:** how far you live from a fire hydrant and fire station
- **Amount of protection:** the more you insure, the more you will pay
- **Deductible:** how much you agree to risk paying from your own pocket for each claim
- **Discounts:** companies reduce prices for such things as insuring your home and car with the same company
- **Claims history and credit score:** some companies use factors such as previous claims filed and credit history

Picking a Company

Get a list of companies licensed to sell insurance in Ohio by visiting the Department's Web site (www.ohioinsurance.gov) or calling **1-800-686-1526 (the Ohio Department of Insurance does NOT recommend or rate insurance companies).**

Shoppers

Assistance

Private rating firms

Several private firms specialize in evaluating the finances and services of insurance companies. Each of these firms has its own methods and standards and grades a company based on the firm's judgment of the financial well being of a company.

The phone numbers and web site addresses below will connect you with some of the more well known rating firms. You may be charged for an insurance company report and be sure you understand the firm's grading system before you rely on any report ... one firm might use "A+" as its highest grade, while another could go all the way up to "A+++."

A.M. Best Company
1-908-439-2200
www.ambest.com

Moody's Investor Service
(212) 553-0377
www.moodys.com

Fitch Inc.
1-800-753-4824
www.fitchratings.com

Standard & Poor's
(212) 438-2000
www.standardandpoors.com

Many private firms that specialize in rating insurance companies also publish books on the subject. You may be able to find this information at your local library.

When a Company Goes Out Of Business

Every company that sells property insurance must belong to the **Ohio Guaranty Association (OGA)**. The OGA offers you protection in the event an insurance company goes bankrupt or goes out of business. If a company is financially unable to pay claims, the state in which it is based will liquidate it and use the company's assets to pay claims and other debts.

The OGA collects money from all of its member companies to cover the liquidated company's claims and will pay up to a total of \$300,000 to cover outstanding claims, depending on the amount of money available from the liquidated company's assets.

Insurance & Discrimination

Prohibited discrimination

It is illegal for an insurance company to charge you more or refuse to insure your home because of your race, color, ancestry, religion, sex, handicap, national origin or because of the racial make-up of your neighborhood.

Red-lining

Insurance companies are sometimes accused of "red-lining." The term comes from the idea that companies would draw a red line on a map around certain parts of town to mark places where they did not want to sell insurance. You should be suspicious of any agent who refuses to talk with you about insuring your home, or states, "We don't write insurance in this part of town".

Report it! If you think you have been the victim of any kind of illegal discrimination by an insurance agent or company, tell us by calling the Department at **1-800-686-1526** and ask for a Property and Casualty Analyst.

Legal discrimination

Discrimination can be legal when it is based on such things as the condition of your home, how you use your home, how you have used insurance in the past or your financial condition. **Underwriting standards** are rules that insurance companies use to decide whether to insure your property. Every company has its own underwriting standards, but typical ones might include some of the things listed below:

- **The condition of your home:**
 - o Old wiring (fire hazard)
 - o Dilapidated roof (could result in a claim for water damage)
 - o Poor maintenance (broken windows, broken gutters)
- **Claims experience:** if you have filed numerous claims in the past, a company might not want to take the chance that you will file claims against it
- **Credit report:** if your credit report suggests you do not pay your bills on time, the company might not want to take the chance that you will treat them the same way
- **Recent bankruptcy:** if you have recently filed bankruptcy, it will be even harder to buy insurance for your home and
- **Dangerous pets:** if you have a pet that has attacked someone or qualifies as "vicious", do not be surprised if an insurance company rejects your application. See page 27 for additional language, starting from "Be aware . . .".

Ohio

Guaranty

Association

Cancellation, Non-renewal

Cancellation

Your policy goes into detail about which conditions may cause your insurance to be cancelled. However, the company must send you written notice at least 30 days before the cancellation date and that notice must explain procedures for applying to the Ohio FAIR Plan.

You are not entitled to a 30-day notice if the company cancels because of your failure to pay the premium, evidence of arson, misrepresentation or **fraud**.

The insurance company can cancel your homeowners policy if you file too many claims. You are highly likely to lose coverage if you are a habitual claimant, particularly if your claims are small. If you have two to three claims within five years, the insurance company may choose to cancel or not renew your policy.

Non-renewal

Each year insurance companies have the statutory right to decide whether or not to renew your policy for the next year. If the company does not renew your policy, they must notify you of their decision 30 days in advance of the policy expiring and must explain procedures for applying to the Ohio FAIR Plan. You will then have to find coverage elsewhere.

Ohio FAIR Plan

If you cannot find insurance coverage for your home, you can apply through the Ohio FAIR Plan Underwriting Association. The State of Ohio created the Ohio FAIR Plan to insure property that insurance companies will not cover. Important points to remember about the FAIR Plan.

- You do not have a guaranteed right to buy FAIR Plan coverage. The FAIR Plan will inspect your house to determine whether you are eligible.
- Every company selling property insurance in Ohio helps fund the FAIR Plan.
- Coverage in the FAIR Plan is likely to cost substantially more than through the standard insurance marketplace so be sure to exhaustively search before resorting to the FAIR Plan.

You can apply to the FAIR Plan through any insurance agent who sells property insurance. Or you can call the FAIR Plan directly at **1-800-282-1772**.

Cancellation

and

Non-renewal

Credit Scoring

Statistically, people who have a poor insurance credit score are more likely to file a claim. Insurers use this information when determining the risk someone may pose. Studies reveal that the manner which a person manages his or her finances, is a strong predictor of insurance claims. Insurance scores are used to help insurers differentiate between lower and higher insurance risks and they then can set a premium based on the risk they are assuming.

Information regarding your credit history, such as your bill-paying habits, the number and the types of accounts in your name, collection actions, outstanding debt, and the age of your accounts, is used to determine if you are a responsible borrower.

C.L.U.E. Report

A Comprehensive Loss Underwriting Exchange or C.L.U.E. report is an all-inclusive database of personal property information, primarily insurance claims on private property.

C.L.U.E. reports are only available to an individual for the home or property they own and reside in. The reports are available from ChoicePoint over the web at www.choicetrust.com or through regular mail. Someone who has been the subject of adverse action based on the information in the report is entitled to a free copy of the report if it is requested within 60 days of the adverse action. Adverse action can include denial of coverage or an increase in rates. Insurers must notify consumers when adverse actions have occurred.

Claim

How to Handle Claims

What should I do when I have a claim?

- Review your policy to make sure you know what is covered.
- Notify your agent or the insurance company immediately.
- Keep damaged property until the company says you can dispose of it, and get that permission in writing.
- If your home is damaged, make needed temporary repairs to protect it from more damage and keep the receipts.
- Keep receipts for emergency expenses (things such as repairs and temporary housing).
- Complete the company's claim form.
- Cooperate with the claims adjuster's requests for documentation or to conduct damage inspection.
- Negotiate the final settlement with the adjuster.

Disputes

Inside the insurance company the adjuster is your first stop. Adjusters evaluate damage and make settlement offers. An adjuster may be an employee of the insurance company or an independent adjuster hired by the company.

If you are not satisfied with the company's handling of your claim, contact the Department's Consumer Services Division at **1-800-686-1526** for information about your insurance rights and how to file a complaint. Written complaints are investigated to determine whether the company and agent have acted improperly. **The Department cannot settle factual disputes over arguments such as the value of your damaged property.**

Your county **small claims court** may be able to settle disputes involving \$3,000 or less; you do not need a lawyer to go to this court. Or, you have the option of consulting an attorney about your legal rights and remedies. **The Department of Insurance does not give legal advice.**

Take These Steps to Resolve Disputes

When It Is a Dispute about Amounts

Claim disputes over homeowners insurance are often about the value of lost or damaged property. The insurance company must first agree that there is damage. Policies usually have a standard provision to settle disputes of this kind. Here is how this process may work under your policy terms:

Appraisal

- Either you or the company can make a **written demand** to have the amount of loss set by **appraisal**.
- Upon that demand you and the company **each** hire an independent appraiser.
- The two appraisers determine the amount of loss.
- If they agree on an amount, a written report is submitted and the amount agreed upon is set as the amount of loss.

If the appraisers cannot agree

- If the appraisers fail to agree, they select an independent arbitrator.
- If they cannot agree on an arbitrator, you or the company can ask a judge of the court to appoint one.
- A written agreement signed by two of these three people (the two appraisers and the arbitrator) sets the amount of loss.

Who pays what

- You pay the appraiser you select and the company pays the appraiser it selects.
- You and the company split any costs for other appraisal expenses and the arbitrator's fee.

Claim

Disputes

Consumer Complaints

You should not need a lawyer to resolve the vast majority of disputes you may have with an insurance agent or company. You can resolve your own disputes

- If you give the company a chance, you will generally find people willing, if not eager, to straighten out problems. Start with your agent and if that does not resolve the issue, contact the company's customer service office. If customer service falls short of your expectations, ask about the company's procedures for appealing decisions.
- If your efforts with the company fail to provide an adequate solution, the next stop should be the Department's Consumer Services Division at 1-800-686-1526. The Department's staff will answer your questions over the phone and explain any further steps you should take to resolve your problem. Department staff gives honest, unbiased answers - if it is apparent the company has done nothing wrong, that is what you will be told. On the other hand, if you raise questions that can only be answered by the insurance company we will send you a complaint form.

The Department received over 1,000 consumer complaints about homeowners insurance in 2004. If your completed form raises questions we cannot answer, it becomes a "complaint." A complaint does not mean the company or agent has broken the law or done anything wrong.

The Department notifies the insurance company and/or agent each time a complaint is received. We will send the company a copy of your complaint and ask that they resolve it or explain their side of the story. By law, companies must respond to the Department and most companies are very cooperative in resolving consumer complaints. Please know that your complaint and any documents you send may be subject to public disclosure.

Consumer

Complaints

Homeowners Insurance Complaint Ratios

The chart on page 25 lists those companies that received 10 or more complaints during 2004. The "complaint ratio" compares the company's 2004 complaints with its homeowner written premium. For example, if a company's complaint ratio is 1.00, that means it had one (1) complaint for every \$1 million of premium written in Ohio. Not every company that had a complaint is listed.

Top homeowners insurance complaints from Ohio consumers in 2004

- Unsatisfactory settlement offer
- Claim denial
- Cancellation and non-renewal
- Claim delay

How to Read the Sample Premium Charts

The Department of Insurance asked companies to quote annual premiums for specific coverage and 49 responded.

- Premiums shown on pages 17-23 were in effect in the early summer of the year 2003.
- A company may change premiums whenever the company files new rates with the department.
- Premiums are shown for specific situations.
- The premium a company charges will reflect your specific coverage, home and location.

Examples Used

Annual premiums are shown for two different owner-occupied single-family homes and for a renter (tenant) in an apartment building.

- The frame house is covered for \$95,000 (pages 17-18) - it typically costs 5 to 15 percent more to insure a frame home than it does for a brick home. The brick house has a \$150,000 replacement cost (pages 19-20).
- Limits on personal property ("contents") coverage vary by company, generally from 50 percent to 100 percent of the home's insured value.
- The tenant example is for a single apartment in a multi-family building (page 23).
- No condo policy (HO-6) premiums are shown, but condominium premiums are usually a little less than tenant premiums.

Understanding

Sample

Fire Protection and Premiums

How quickly the local fire department can reach your house affects your premium.

Premium

- If you live in a city, most companies will charge you the same base rates as people who live on the other side of town.
- If you live in a suburb with full fire protection, your price may be similar or identical to that of the large nearby city.
- The charts show premiums for residents of the state's largest cities.

Charts

Premiums **are** shown for two locations where higher fire protection classifications generally mean higher insurance premiums.

- Beaverdam (class 9): home is within 6 miles of a fire station, but over 1,000 feet from a hydrant (BVRDM on the charts).
- Rural (class 8): home is located over 10 miles from the nearest firehouse & hydrant.

Coverage amounts used for sample premiums

The sample policies in this guide are priced for the coverages shown below.

- Liability: \$100,000
- Medical payment: \$1,000
- Deductible: \$500 or closest company offers
- Replacement cost for personal property
- Battery-powered smoke detector installed
- No other discounts

Company availability

You will not find every insurance company listed in your local phone book. Some companies sell their policies only through the mail or over the Internet and may not have agents in your area, or they may limit their sales to specific groups such as teachers, doctors, government employees, etc.

Frame home: \$95,000

Company Name	Akron	Bvrdm	Cinci	Cleve	Col	Dayton	Toledo	Yngstn	Rural
AIU	\$537	\$596	\$642	\$540	\$564	\$586	\$708	\$666	
Allstate Indemnity	\$317	\$399	\$328	\$312	\$359	\$328	\$337	\$387	\$931
American Family	\$427	\$630	\$491	\$574	\$462	\$486	\$533	\$472	\$648
American Family Home	\$433	\$433	\$433	\$433	\$433	\$433	\$433	\$433	\$433
American Fire & Casualty	\$303	\$325	\$318	\$351	\$287	\$318	\$303	\$351	\$685
AMEX Assurance	\$286	\$325	\$337	\$370	\$309	\$295	\$382	\$344	
Amica Mutual	\$347	\$471	\$396	\$451	\$355	\$382	\$390	\$424	\$886
Armed Forces	\$175	\$218	\$183	\$175	\$164	\$183	\$198	\$213	\$321
Buckeye	\$319	\$316	\$321	\$321	\$321	\$319	\$316	\$319	\$459
Cincinnati	\$379	\$505	\$426	\$435	\$402	\$337	\$412	\$457	\$472
Cincinnati Equitable	\$482	\$576	\$496	\$705	\$501	\$596	\$558	\$643	
Electric	\$244	\$291	\$358	\$316	\$306	\$334	\$369	\$320	\$593
Erie	\$315	\$443	\$357	\$427	\$317	\$406	\$400	\$400	\$539
Farmers Exchange	\$303	\$553	\$409	\$592	\$377	\$574	\$388	\$574	\$333
Farmers	\$218	\$399	\$295	\$428	\$272	\$415	\$280	\$415	\$241
Foremost	\$536	\$881	\$684	\$831	\$624	\$831	\$684	\$831	\$1,251
Frankenmuth Mutual	\$633	\$434	\$633	\$633	\$633	\$633	\$548	\$633	\$867
Grange Mutual Casualty	\$380	\$556	\$533	\$508	\$415	\$488	\$502	\$484	\$713
GuideOne America	\$314	\$377	\$366	\$408	\$307	\$354	\$375	\$346	\$546
GuideOne Mutual	\$557	\$621	\$603	\$713	\$506	\$584	\$627	\$567	\$89
Homesite of the Midwest	\$260	\$297	\$288	\$316	\$289	\$300	\$324	\$322	\$398
Horace Mann	\$561	\$472	\$479	\$850	\$426	\$484	\$410	\$410	\$744
Indiana	\$509	\$505	\$551	\$546	\$418	\$537	\$542	\$500	\$692
Liberty Mutual Fire	\$388	\$491	\$461	\$552	\$430	\$471	\$496	\$492	\$666
Mennonite Mutual	\$330	\$312	\$330	\$330	\$330	\$330	\$330	\$330	\$523
Merchants Property of IN	\$306	\$380	\$330	\$368	\$336	\$428	\$382	\$310	\$1,035
Miami Mutual	\$322	\$322	\$322	\$322	\$322	\$322	\$322	\$322	\$664
Motorists Mutual	\$379	\$367	\$379	\$444	\$379	\$475	\$410	\$475	\$723
Municipal Mutual	\$392	\$613	\$437	\$541	\$449	\$508	\$400	\$534	\$1,312
National Mutual	\$511	\$535	\$527	\$636	\$449	\$580	\$512	\$528	
Nationwide Mutual	\$405	\$448	\$390	\$457	\$373	\$454	\$457	\$424	
Nationwide Mutual Fire	\$450	\$498	\$433	\$508	\$414	\$504	\$508	\$471	
Ohio Casualty	\$472	\$506	\$494	\$546	\$446	\$494	\$472	\$546	\$1,067
Ohio FAIR Plan	\$399	\$617	\$446	\$511	\$450	\$458	\$409	\$391	\$1,323
Prudential P & C	\$326	\$440	\$391	\$406	\$343	\$375	\$367	\$392	

\$95,000 replacement cost
 HO-3 Policy
 \$500 Deductible
 \$100,000 Liability
 \$1,000 MedPay
 Personal property replacement
 Smoke detector

Frame home: \$95,000 (cont'd)

Company Name	Akron	Bvrdrm	Cinci	Cleve	Col	Dayton	Toledo	Yngstn	Rural
Safeco of America	\$336	\$574	\$370	\$406	\$344	\$488	\$467	\$361	
Selective	\$265	\$322	\$293	\$348	\$274	\$289	\$298	\$306	
State Auto	\$363	\$500	\$481	\$535	\$353	\$406	\$443	\$423	\$868
State Farm Fire & Casualty	\$441	\$481	\$504	\$491	\$425	\$616	\$592	\$491	\$610
Teachers	\$466	\$393	\$398	\$706	\$353	\$380	\$342	\$342	\$621
United Ohio	\$327	\$442	\$316	\$393	\$324	\$403	\$306	\$332	\$941
United Services Auto	\$322	\$506	\$361	\$437	\$347	\$372	\$405	\$405	\$1,084
USAA Casualty	\$357	\$562	\$401	\$485	\$385	\$413	\$449	\$449	\$1,204
Wayne Mutual	\$374	\$446	\$398	\$432	\$398	\$398	\$433	\$401	\$756
West American	\$337	\$362	\$353	\$390	\$319	\$353	\$337	\$390	\$761
Western Reserve Mutual Cas	\$314	\$438	\$411	\$418	\$346	\$381	\$360	\$387	
Westfield	\$382	\$388	\$434	\$431	\$299	\$455	\$338	\$486	\$685
Westfield National	\$369	\$375	\$418	\$415	\$289	\$439	\$325	\$467	\$659

\$95,000 replacement cost
 HO-3 Policy
 \$500 Deductible
 \$100,000 Liability
 \$1,000 MedPay
 Personal property replacement
 Smoke detector

Brick home: \$150,000

Company Name	Akron	Bvrdrm	Cinci	Cleve	Col	Dayton	Toledo	Yngstn	Rural
AIU	\$693	\$771	\$828	\$698	\$729	\$757	\$916	\$860	
Allstate Indemnity	\$410	\$476	\$426	\$404	\$467	\$426	\$436	\$505	\$1,108
American Family	\$564	\$827	\$679	\$793	\$634	\$640	\$724	\$648	\$886
American Fire & Casualty	\$395	\$362	\$413	\$457	\$374	\$413	\$395	\$457	\$771
AMEX Assurance	\$325	\$413	\$441	\$488	\$407	\$354	\$502	\$430	
Amica Mutual	\$439	\$476	\$499	\$570	\$451	\$484	\$494	\$537	\$786
Armed Forces	\$226	\$282	\$236	\$226	\$211	\$236	\$254	\$273	\$418
Buckeye	\$412	\$409	\$416	\$416	\$416	\$412	\$409	\$412	\$594
Cincinnati	\$524	\$635	\$585	\$602	\$540	\$467	\$567	\$633	\$596
Cincinnati Equitable	\$585	\$609	\$672	\$857	\$609	\$723	\$678	\$781	
Electric	\$310	\$358	\$453	\$410	\$386	\$423	\$467	\$406	\$757
Erie	\$385	\$537	\$468	\$558	\$427	\$495	\$523	\$523	\$677
Farmers Exchange	\$379	\$692	\$533	\$774	\$491	\$723	\$515	\$723	\$415
Farmers	\$273	\$501	\$384	\$557	\$354	\$521	\$364	\$521	\$302
Foremost	\$706	\$1,166	\$903	\$1,100	\$824	\$1,100	\$903	\$1,100	\$1,661
Frankenmuth Mutual	\$789	\$569	\$789	\$789	\$789	\$789	\$672	\$789	\$925
Grange Mutual Casualty	\$537	\$760	\$755	\$721	\$588	\$694	\$711	\$687	\$1,019
GuideOne America	\$383	\$454	\$471	\$512	\$403	\$423	\$477	\$436	\$669
GuideOne Mutual	\$677	\$800	\$778	\$927	\$666	\$754	\$775	\$727	\$1,117
Homesite of the Midwest	\$315	\$363	\$350	\$384	\$351	\$365	\$394	\$391	\$485
Horace Mann	\$660	\$608	\$609	\$1,080	\$541	\$570	\$522	\$522	\$907
Indiana	\$634	\$630	\$687	\$678	\$520	\$670	\$674	\$623	\$862
Liberty Mutual Fire	\$441	\$638	\$609	\$728	\$567	\$557	\$655	\$621	\$878
Lightning Rod Mutual	\$362	\$454	\$475	\$484	\$401	\$441	\$416	\$448	
Mennonite Mutual	\$446	\$421	\$446	\$446	\$446	\$446	\$446	\$446	\$697
Merchants NH	\$392	\$464	\$456	\$497	\$353	\$422	\$403	\$425	
Merchants Property of IN	\$367	\$414	\$396	\$442	\$403	\$513	\$458	\$372	\$736
Miami Mutual	\$437	\$437	\$437	\$437	\$437	\$437	\$437	\$437	\$977
Motorists Mutual	\$520	\$439	\$520	\$614	\$520	\$656	\$564	\$656	\$860
Municipal Mutual	\$470	\$640	\$525	\$648	\$538	\$610	\$482	\$640	\$932
National Mutual	\$660	\$628	\$682	\$822	\$581	\$751	\$662	\$683	
Nationwide Mutual	\$546	\$604	\$524	\$649	\$500	\$609	\$615	\$572	
Nationwide Mutual Fire	\$607	\$671	\$582	\$721	\$556	\$677	\$683	\$636	
Ohio Casualty	\$614	\$563	\$643	\$711	\$581	\$643	\$614	\$711	\$1,200
Ohio FAIR Plan	\$416	\$560	\$463	\$532	\$469	\$477	\$425	\$407	\$816
Prudential P & C	\$421	\$579	\$516	\$526	\$445	\$486	\$474	\$509	

\$150,000 replacement cost
 HO-3 Policy
 \$500 Deductible
 \$100,000 Liability
 \$1,000 MedPay
 Personal property replacement
 Smoke detector

Brick home: \$150,000 (cont'd)

Company Name	Akron	Bvrdrm	Cinci	Cleve	Col	Dayton	Toledo	Yngstn	Rural
Safeco of America	\$413	\$614	\$455	\$498	\$422	\$599	\$574	\$443	
Selective	\$347	\$417	\$384	\$455	\$357	\$377	\$390	\$401	
State Auto	\$460	\$604	\$603	\$668	\$441	\$507	\$555	\$531	\$1,005
State Farm Fire & Casualty	\$524	\$570	\$625	\$609	\$524	\$759	\$733	\$583	\$724
Teachers	\$550	\$506	\$506	\$897	\$448	\$447	\$433	\$433	\$758
United Ohio	\$388	\$457	\$374	\$465	\$385	\$477	\$363	\$393	\$662
United Services Auto	\$401	\$551	\$450	\$545	\$432	\$464	\$504	\$504	\$801
USAA Casualty	\$445	\$611	\$500	\$605	\$480	\$515	\$560	\$560	\$889
Wayne Mutual	\$507	\$608	\$539	\$584	\$539	\$539	\$584	\$538	\$809
West American	\$439	\$402	\$459	\$508	\$415	\$459	\$439	\$508	\$857
Westfield	\$519	\$468	\$589	\$585	\$407	\$617	\$459	\$659	\$680
Westfield National	\$501	\$451	\$567	\$564	\$391	\$595	\$442	\$635	\$656

\$150,000 replacement cost
 HO-3 Policy
 \$500 Deductible
 \$100,000 Liability
 \$1,000 MedPay
 Personal property replacement
 Smoke detector

Frame home: \$150,000

Company Name	Akron	Bvrdm	Cinci	Cleve	Col	Dayton	Toledo	Yngstn	Rural
AIU	\$753	\$838	\$901	\$758	\$792	\$824	\$995	\$935	
Allstate Indemnity	\$442	\$562	\$459	\$436	\$502	\$459	\$471	\$546	\$1,361
American Family	\$603	\$885	\$726	\$849	\$724	\$684	\$776	\$694	\$949
American Family Home	\$596	\$596	\$596	\$596	\$596	\$596	\$596	\$596	\$596
American Fire & Casualty	\$429	\$460	\$449	\$496	\$406	\$449	\$429	\$496	\$970
AMEX Assurance	\$346	\$440	\$471	\$521	\$433	\$376	\$537	\$459	
Amica Mutual	\$462	\$627	\$526	\$601	\$473	\$509	\$518	\$564	\$1,179
Armed Forces	\$251	\$311	\$262	\$251	\$233	\$262	\$282	\$305	\$459
Buckeye	\$458	\$455	\$462	\$462	\$462	\$458	\$455	\$458	\$660
Cincinnati	\$545	\$725	\$612	\$625	\$578	\$484	\$592	\$657	\$679
Cincinnati Equitable	\$629	\$753	\$722	\$921	\$655	\$778	\$729	\$840	
Electric	\$344	\$410	\$503	\$445	\$429	\$470	\$520	\$452	\$836
Erie	\$405	\$563	\$493	\$587	\$448	\$522	\$551	\$549	\$695
Farmers Exchange	\$398	\$730	\$560	\$812	\$516	\$759	\$531	\$759	\$438
Farmers	\$287	\$526	\$404	\$586	\$372	\$548	\$383	\$548	\$317
Foremost	\$784	\$1,296	\$1,003	\$1,222	\$915	\$1,222	\$1,003	\$1,222	\$1,845
Frankenmuth Mutual	\$872	\$594	\$872	\$872	\$872	\$872	\$755	\$872	\$1,199
Grange Mutual Casualty	\$608	\$893	\$853	\$814	\$664	\$783	\$804	\$776	\$1,145
GuideOne America	\$407	\$484	\$510	\$552	\$428	\$456	\$508	\$473	\$749
GuideOne Mutual	\$720	\$855	\$839	\$1,002	\$704	\$812	\$827	\$789	\$1,249
Homesite of the Midwest	\$363	\$417	\$403	\$442	\$405	\$419	\$453	\$449	\$555
Horace Mann	\$714	\$647	\$657	\$1,167	\$586	\$616	\$564	\$564	\$1,021
Indiana	\$704	\$699	\$764	\$755	\$578	\$745	\$751	\$692	\$957
Liberty Mutual Fire	\$477	\$673	\$662	\$791	\$618	\$605	\$713	\$674	\$926
Lightning Rod Mutual	\$383	\$517	\$501	\$509	\$422	\$464	\$439	\$471	
Mennonite Mutual	\$464	\$439	\$464	\$464	\$464	\$464	\$464	\$464	\$746
Merchants NH	\$436	\$590	\$506	\$554	\$393	\$469	\$364	\$461	
Merchants Property of IN	\$408	\$506	\$440	\$491	\$448	\$570	\$509	\$413	\$1,380
Miami Mutual	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$441	\$980
Motorists Mutual	\$560	\$543	\$560	\$661	\$560	\$708	\$607	\$708	\$1,074
Municipal Mutual	\$522	\$817	\$583	\$721	\$598	\$677	\$534	\$711	\$1,748
National Mutual	\$718	\$752	\$741	\$893	\$630	\$814	\$719	\$742	
Nationwide Mutual	\$590	\$652	\$564	\$662	\$540	\$658	\$664	\$617	
Nationwide Mutual Fire	\$655	\$724	\$627	\$736	\$600	\$731	\$738	\$686	
Ohio Casualty	\$667	\$716	\$698	\$772	\$631	\$698	\$667	\$772	\$1,508
Ohio FAIR Plan	\$462	\$713	\$514	\$591	\$521	\$529	\$472	\$453	\$1,529
Prudential P & C	\$454	\$613	\$545	\$566	\$480	\$523	\$511	\$548	

\$150,000 replacement cost
 HO-3 Policy
 \$500 Deductible
 \$100,000 Liability
 \$1,000 MedPay
 Personal property replacement
 Smoke detector

Frame home: \$150,000 (cont'd)

Company Name	Akron	Bvrdrm	Cinci	Cleve	Col	Dayton	Toledo	Yngstn	Rural
Safeco of America	\$458	\$783	\$505	\$554	\$469	\$666	\$637	\$492	
Selective	\$372	\$452	\$412	\$490	\$384	\$406	\$420	\$431	
State Auto	\$489	\$664	\$641	\$712	\$469	\$540	\$591	\$565	\$1,156
State Farm Fire & Casualty	\$559	\$609	\$666	\$649	\$560	\$811	\$782	\$621	\$773
Teachers	\$594	\$540	\$548	\$969	\$484	\$483	\$468	\$468	\$853
United Ohio	\$430	\$580	\$416	\$516	\$426	\$530	\$402	\$435	\$1,239
United Services Auto	\$445	\$701	\$500	\$606	\$480	\$515	\$561	\$561	\$1,501
USAA Casualty	\$494	\$778	\$556	\$672	\$533	\$572	\$622	\$622	\$1,667
Wayne Mutual	\$563	\$672	\$599	\$650	\$599	\$599	\$649	\$602	\$1,138
West American	\$477	\$512	\$499	\$556	\$451	\$499	\$477	\$556	\$1,077
Westfield	\$530	\$538	\$601	\$597	\$416	\$630	\$469	\$674	\$948
Westfield National	\$511	\$518	\$580	\$575	\$400	\$608	\$452	\$648	\$915

\$150,000 replacement cost
 HO-3 Policy
 \$500 Deductible
 \$100,000 Liability
 \$1,000 MedPay
 Personal property replacement
 Smoke detector

Tenant insurance

Company Name	Akron	Bvrdrm	Cinci	Cleve	Col	Dayton	Toledo	Yngstn	Rural
AIU	\$265	\$247	\$265	\$265	\$254	\$247	\$254	\$265	
Allstate Indemnity	\$201	\$216	\$207	\$201	\$207	\$207	\$196	\$207	\$252
American Family	\$369	\$432	\$369	\$369	\$390	\$369	\$390	\$369	\$436
AMEX Assurance	\$200	\$200	\$213	\$213	\$232	\$200	\$232	\$200	
Amica Mutual	\$244	\$254	\$244	\$244	\$253	\$229	\$253	\$244	\$381
Buckeye	\$356	\$353	\$358	\$358	\$358	\$356	\$353	\$356	\$424
Cincinnati	\$142	\$161	\$142	\$142	\$140	\$142	\$142	\$142	\$161
Cincinnati Equitable	\$263	\$247	\$247	\$263	\$247	\$247	\$260	\$263	
Electric	\$215	\$240	\$233	\$215	\$225	\$233	\$225	\$215	\$270
Erie	\$255	\$267	\$255	\$255	\$241	\$255	\$255	\$255	\$347
Farmers Exchange	\$190	\$200	\$208	\$218	\$256	\$240	\$226	\$240	\$192
Farmers	\$155	\$164	\$170	\$178	\$209	\$196	\$185	\$196	\$157
Frankenmuth Mutual	\$393	\$317	\$393	\$393	\$393	\$393	\$359	\$393	\$471
Grange Mutual Casualty	\$693	\$750	\$693	\$693	\$670	\$670	\$693	\$631	\$805
GuideOne Mutual	\$220	\$220	\$235	\$235	\$220	\$220	\$220	\$220	\$253
Homesite of the Midwest	\$265	\$276	\$267	\$265	\$278	\$265	\$276	\$263	\$325
Horace Mann	\$170	\$150	\$158	\$170	\$163	\$158	\$170	\$150	\$224
Indiana	\$310	\$285	\$298	\$310	\$285	\$285	\$285	\$310	\$285
Liberty Mutual Fire	\$250	\$264	\$257	\$253	\$262	\$257	\$262	\$253	\$319
Mennonite Mutual	\$289	\$273	\$289	\$289	\$289	\$289	\$289	\$289	\$284
Merchants Property of IN	\$174	\$157	\$150	\$202	\$201	\$230	\$171	\$150	\$261
Miami Mutual	\$212	\$212	\$212	\$212	\$212	\$212	\$212	\$212	\$330
Motorists Mutual	\$193	\$201	\$166	\$193	\$160	\$179	\$196	\$193	\$300
Municipal Mutual	\$250	\$284	\$223	\$355	\$276	\$318	\$260	\$294	\$470
National Mutual	\$270	\$310	\$270	\$296	\$270	\$270	\$270	\$270	
Nationwide Mutual Fire	\$394	\$372	\$382	\$380	\$391	\$394	\$411	\$368	
Ohio Casualty	\$178	\$155	\$170	\$174	\$175	\$175	\$187	\$167	\$226
Prudential P & C	\$193	\$169	\$159	\$279	\$239	\$304	\$229	\$229	
Safeco of America	\$215	\$215	\$215	\$215	\$215	\$215	\$215	\$215	\$279
Selective	\$213	\$213	\$213	\$227	\$222	\$222	\$213	\$215	
State Auto Insurance	\$171	\$160	\$171	\$171	\$155	\$160	\$155	\$171	\$239
State Farm Fire & Casualty	\$191	\$191	\$258	\$258	\$191	\$258	\$235	\$191	\$191
Teachers	\$150	\$131	\$140	\$150	\$141	\$140	\$150	\$131	\$196
United Ohio	\$219	\$263	\$219	\$219	\$225	\$208	\$225	\$219	\$403
Wayne Mutual	\$255	\$265	\$255	\$255	\$255	\$255	\$255	\$255	\$485
West American	\$151	\$132	\$144	\$148	\$149	\$149	\$159	\$142	\$192
Western Reserve Mutual Cas	\$229	\$279	\$229	\$246	\$229	\$229	\$229	\$215	
Westfield	\$233	\$303	\$233	\$233	\$233	\$233	\$233	\$233	\$466
Westfield National	\$206	\$268	\$206	\$206	\$206	\$206	\$206	\$206	\$413

Contents & liability only
 HO-4 Policy
 Apartment in multi-family building
 \$50,000 limit
 \$500 Deductible
 \$100,000 Liability
 \$1,000 MedPay
 Personal property replacement
 Smoke detector

How to Read Complaint Comparisons and Company Profiles

2004 Written Ohio Premiums

This is the total dollar amount the company sold through homeowners insurance policies in Ohio during 2004.

2004 Total Complaints

The Ohio Department of Insurance received this number of complaints from homeowners concerning companies in 2004.

2004 Complaint Ratio

Complaint ratios identified on Page 25 are for companies with 10 or more complaints. The total number of complaints made in 2004 against each company listed in this guide is shown, while the "Complaint ratio" gives the company's percentage of its complaints compared to its written premium in Ohio. For example, if a company's complaint ratio is 1.00, that means it had one (1) complaint for every \$1 million of premium written in Ohio.

Understanding

Company Profiles

The company profile chart, found on page 26, provides company contact information, the total amount of Ohio premium and also explains how companies market their products in Ohio.

Company

Profiles

Contact Information

These are numbers supplied by insurance companies that you can use to get more information about obtaining a policy. If no number is listed call a local agent. The column headed "Home Page Address" shows internet addresses provided by the companies where consumers can get additional information.

and

Complaint

How Sold

Under the column headed "How Sold" the following designations explain how the companies market their policies in Ohio.

Comparisons

CA: captive or company agents, producers only represent one company.

IA: policies are sold by **Independent Agents** who can represent many different companies.

IN: these policies have been marketed on the **Internet** and are sold through the company's Web site.

DM: these policies are sold through **direct mail** campaigns and eliminate the use of agents.

Complaint Comparisons

Total consumer complaints the Ohio Department of Insurance received about home insurance in 2004.... **1,080**

Total authorized home insurance companies in Ohio in 2004... 964	Total authorized home insurance companies with complaints in 2004... 146	Total complaints in 2004 involving authorized companies... 941	Total companies with 10 or more complaints in 2004... 18
----------------------------------------------------------------------------	------------------------------------------------------------------------------------	--------------------------------------------------------------------------	--------------------------------------------------------------------

Top 10 reasons for home insurance complaints:

- | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ol style="list-style-type: none"> 1. Unsatisfactory settlement offer (262) 2. Claim denial (248) 3. Cancellation/non-renewal (179) 4. Claim delay (100) 5. Premium/rating issues (77) | <ol style="list-style-type: none"> 6. Premium refund due (24) 7. Credit report (20) 8. Misrepresentation (20) 9. Failure to place coverage (14) 10. Premium notice/billing (12) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Total complaints represented by the above Top 10 reasons = 956.

That represents 89% of all home complaints filed in 2004.

Homeowner Insurance Company	2004 Written Ohio Premiums	2004 Total Complaints	2004 Complaint Ratio
State Farm Fire & Casualty	\$387,854,863	121	0.31
Erie Ins Exchange	\$72,912,532	84	1.15
Grange Mutual Casualty	\$95,821,770	61	0.64
Allstate Insurance	\$86,706,511	59	0.68
Nationwide Mutual Fire	\$102,055,893	51	0.50
Ohio Fair Plan Underwriting Assn	\$25,346,930	49	1.93
American Family	\$45,654,606	43	0.94
Farmers of Columbus	\$32,203,195	31	0.96
State Automobile Mutual	\$46,634,006	25	0.54
Cincinnati Insurance	\$88,373,995	24	0.27
Metropolitan Property & Casualty	\$14,715,234	23	1.56
Auto-Owners	\$27,218,467	18	0.66
Liberty Mutual Fire	\$30,121,736	16	0.53
Westfield	\$18,348,674	15	0.82
Sandy & Beaver Valley Farmers Mut.	\$5,778,888	14	2.42
American Commerce	\$3,441,840	13	3.78
Motorists Mutual	\$52,345,822	12	0.23
LM Property & Casualty	\$1,345,604	11	8.17
Totals for the 18 companies on this chart	\$1,136,880,566	670	0.59
Totals for all 964 Ohio home carriers	\$5,383,907,358	1,905	0.35

Company Contacts

Company Name	Consumer (800) Number	Home Page Address	How Sold
AIU	(800) 622-2488	www.aig.com	DM
Allstate Indemnity	(800) 255-7828	www.allstate.com	CA,IA,DM,IN
American Family	(800) 543-2644	www.amig.com	CA
American Family Home	(800) 374-1111	www.amfam.com	IA
American Fire & Casualty	(800) 843-6446	www.ocas.com	IA
AMEX Insurance	(800) 842-3344		DM
Amica Mutual	(800) 242-6422	www.amica.com	DM,IN
Armed Forces	(800) 828-7732	www.afi.org	DM
Buckeye State Mutual		www.buckeye-ins.com	
Cincinnati		www.cinfin.com	
Cincinnati Equitable		www.cincinnatiequitable.com	IA
Electric	(800) 227-2757	www.electricinsurance.com	DM
Erie	(800) 458-0811	www.erieinsurance.com	IA
Farmers		www.farmers.com	CA
Farmers Exchange		www.farmers.com	CA
Foremost	(800) 237-6136	www.foremost.com	IA
Frankenmuth Mutual		www.fmins.com	IA
Grange Mutual Casualty	(800) 422-0550	www.grangeinsurance.com	IA
GuideOne America	(800) 448-4331	www.guideone.com	CA
GuideOne Mutual	(800) 448-4331	www.guideone.com	CA
Homesite of the Midwest	(800) 466-3748	www.homesite.com	DM,IN
Horace Mann	(800) 999-1030	www.horacemann.com	CA
Indiana	(800) 436-9600	www.libertyram.com	IA
Liberty Mutual Fire			CA,DM,IN
Lightning Rod Mutual	(800) 362-0426	www.wrg-ins.com	IA
Mennonite Mutual	(800) 678-6885	www.mennonitemutual.com	IA
Merchants NH	(800) 462-1077	www.merchantsgroup.com	IA
Merchants Property of Indiana			
Miami Mutual	(800) 686-9094		IA
Motorists Mutual	(800) 867-6642	www.motoristsgroup.com	IA
Municipal Mutual	(800) 852-5416		IA
National Mutual	(800) 552-5181	www.celinagroup.com	IA
Nationwide Mutual			CA
Nationwide Mutual Fire			CA
Ohio Casualty	(800) 843-6446	www.ocas.com	
Ohio FAIR Plan	(800) 282-1772	www.ohiofairplan.com	CA,IA
Prudential Property and Casualty	(800) 437-5556	www.prudential.com	CA,IN
Safeco of America		www.safeco.com	IA,IN
Selective	(800) 777-9656	www.selective.com	IA
State Auto			IA
State Farm Fire & Casualty		www.statefarm.com	CA
Teachers	(800) 999-1030	www.horacemann.com	CA
United Ohio	(800) 686-3011	www.omig.com	IA
United Services Auto	(800) 498-8111		DM
USAA Casualty	(800) 498-8111		DM
Wayne Mutual		www.waynemutual.com	IA
West America	(800) 843-6446	www.ocas.com	IA
Western Reserve Mutual Casualty	(800) 362-0426	www.wrg-ins.com	IA
Westfield	(800) 243-0210	www.westfieldgrp.com	IA
Westfield National	(800) 243-0210	www.westfieldgrp.com	IA

Answers to Common Questions

Is mold covered under my homeowners insurance?

- Yes or No. You need to read your policy thoroughly to determine if mold is covered.

Can I obtain a copy of my C.L.U.E. report?

- Yes, you can get a copy from ChoicePoint if the company uses credit scoring to adversely to reject your application for insurance or increase your rates.

How should I keep track of my personal property?

- Make an inventory of all household items.
- Keep receipts for appliances, cameras, computers and other valuables.
- It helps to have pictures or videotape of personal belongings and the property.
- Put the lists and pictures in a safe place, away from your house. Your complete inventory will be useless if it burns with the house.

Should I hire a public adjuster?

- Public adjusters will charge a fee to help you negotiate with the insurance company. You may find a public adjuster helpful with complicated claims.

My daughter is away at college. Is she still covered?

- Yes. Her personal property is covered up to 10 percent of the personal property limit. She also has full liability coverage. A cautionary note – check the age limit of your policy for covered dependents; most policies have an age limit at which there is no longer coverage for dependent children.

What protects me if my dog bites someone?

- Your homeowners policy MedPay coverage would pay the doctor bills.
- If the victim sues, the insurance company will represent you and pay damages up to the policy limit.
- However, the company might amend your policy to exclude future dog bites - or even cancel the policy. Be aware: if you own a "vicious" dog (as defined by Ohio law), you are required to carry at least \$100,000 liability coverage on your homeowner policy.

Can a company use my credit score information to increase my rates?

- Probably, but it cannot be the sole criterion to determine a rate increase.

Frequently

Asked

Questions

How can I reduce my premium?

- The simplest way to lower your rate is to increase the deductible, but be sure it is at a level you can afford in the event of a loss.
- You may also qualify for discounts for such things as home alarm systems, insuring both your home and car with the same company, insuring a new house and/or having a history of not filing claims.

What should I do if my property is damaged due to a storm?

- Call your insurance company as soon as you can.
- Try and protect your property and salvage what you can.
- Closely inspect property for damage. Note and photograph any damage and losses; this will assist in settling claims.
- Be sure your agent knows how to contact you if you can't stay in your home.
- If required to seek temporary housing, check your policy for "loss of use" coverage. Many policies cover such expenses up to a stated amount.
- Above all, do not make a hasty settlement. If possible, seek assistance from a third party.
- Make sure everything is considered in your claim. Back-up claims with written estimates.
- Carefully check the background of contractors and others who promise "cheap" repairs.
- Don't pay the entire cost of repairs up-front, and try to only do business with local, established contractors. Before signing any contract, read the entire document, and contact your local Better Business Bureau® or the Ohio Attorney General's Office to see if the company has a good customer service record.

Premium

Reductions

For questions regarding discrimination, cancellation, non-renewal and accessing the Ohio FAIR Plan, please refer to page 13 of this guide. Page 15 of this guide helps you navigate filing a complaint with the Ohio Department of Insurance if you think an agent or company has treated you unlawfully.

Glossary of Terms

Actual Cash Value – The amount a damaged or stolen item was actually worth at the time of the loss. The formula for Actual Cash Value (ACV) is replacement cost of the item minus depreciation.

Adjuster – An adjuster is a representative of the insurance company. An adjuster is responsible for investigating claims and makes estimates for settling claims.

Appraisal – The valuation of your property determined by an authorized expert.

Claim – When a policyholder inquires about or seeks compensation or payment under a policy due to an event that triggers coverage.

Deductible - The part of a loss that you are responsible for paying according to the terms of your policy.

Depreciation – A decrease or loss in value over time, due to age, usage and deterioration.

Endorsement - Amendment to a policy used to add, change or delete coverage.

Exclusion - Specific instances or circumstances not covered.

Fraud – Filing a false claim in order to collect money not entitled to the claimant or providing false information in an application for insurance.

Loss – The event or occurrence of damage or injuries.

Offer – The amount the insurance company proposes to pay you for a loss.

Peril – A covered event (fire, vandalism, etc.) causing damage to your property.

Public Adjuster – A person you can hire to help settle a claim with an insurance company. A public adjuster may be hired to handle a complex or difficult loss negotiation.

Replacement Cost – A determination of the cost to replace contents, rebuild your home or repair damages with materials of like kind and quality at today's prices, without subtracting for depreciation or obsolescence.

Settlement – The amount you are paid by the insurance company as payment for your loss.

Glossary

of

Terms

Other shopper's guides available from the Ohio Department of Insurance:

***Annuities • Auto Insurance • Health Insurance • Managed Care
Medicare Supplement • Life Insurance
Long-Term Care Insurance***

To request consumer publications
or ask questions about insurance, call

1-800-686-1526

Fax: (614) 644-3744 TDD Phone (614) 644-3745

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