

5. Filing a complaint

If a claim has not been resolved to your satisfaction, contact your state insurance department. Many times, your questions can be answered without filing a formal complaint. However, if you want to file a complaint, you should make your request for assistance to the department in writing.

To assist in processing your request, be sure to include your name, address, ZIP code, and daytime number. Also include your policy number and the name of the insurance carrier. If available, it is also helpful to supply any documentation you have to support your case. Keep a copy of all documents for future reference.

6. Schedule an annual insurance check-up

Use Get Smart Week as your personal call to action. Schedule a yearly insurance check-up with your agent or insurance carrier to review every policy you have ... and to look for areas of too much or too little coverage. In general, you should review your coverage every 12 months or whenever there's a major change in your life (new car, new home, birth, etc.).

At every insurance check-up, don't be afraid to ask a lot of questions and be sure to take good notes. Try this: Draw a line down the middle of a piece of paper, titling one side "What I Have" and the other "What It Means to Me." This will provide you with a handy summary of your coverage to use for future reference.

Get smart!

This brochure is just the beginning. Contact your state insurance department with questions you may have. For more information about insurance coverage or to find your state insurance department, visit www.naic.org or call 816-842-3600.



National Association of Insurance Commissioners
2301 McGee, Suite 800
Kansas City, MO 64108-2604
Phone: 1-866-SMARTWEEK

6 Tips for Getting Smart about Insurance



**National
Get Smart
Week**

January 14-18, 2002



**When it comes to insurance,
knowledge is your best policy.**

Brought to you by the
National Association of Insurance Commissioners
1-866-SMARTWEEK

Are you ready to “get smart” about your insurance coverage?

The National Association of Insurance Commissioners (NAIC) and your state insurance department encourage you to take a look at your coverage during **Get Smart Week**, Jan. 14–18, 2002. Get Smart Week isn't about selling or canceling policies. It's about making sure your family is properly covered.

According to a recent survey commissioned by the NAIC, although most Americans feel they have about the right amount of insurance coverage (67 percent), only 28 percent say they understand the details of the coverage “very well.”

So what can you do to get smart about your insurance?

1. Contact your state insurance department

Your state insurance department exists to serve you. It is an unbiased source of information on insurance companies and the coverage they offer.

Although each state is different, most offer free guides that outline your states insurance laws and regulations. They also may publish premium comparison reports for your use in shopping for insurance. Take advantage of the services of your state insurance department and make yourself a smarter insurance consumer.

2. Select a carrier with care

You should only deal with licensed insurance agents who work for companies licensed to sell insurance in your state. (Remember, business cards are not proof of a license.) Your state insurance department is a great resource for information on agent and company licensing status, complaint history, and financial stability.

You would be wise to shop at least three companies for the best coverage at the best price. You may start by asking friends and family for recommendations. Another factor to consider is the convenience and service of dealing with a local agent, compared to a possible cost savings of dealing with a national company with no office in your area. Regardless of the carrier you choose, always read the policy application carefully before signing it ... and never sign a blank form.

The amount of insurance needed will vary by person and circumstance. Your insurance department can tell you what levels are required by law in your state. In general, your property should be insured for at least 80% of its replacement value. When considering life insurance, one rule of thumb is to buy life insurance that is equal to five to seven times your annual gross income.

Ultimately, it's up to insurance companies to choose the people they wish to insure. Some companies specialize in low-risk policies and others in high-risk policies. If a company turns down your request for coverage, check with other companies.

3. Dig for discounts

Depending on the kind of insurance you're considering, there are a number of ways to reduce the cost of coverage:

- **Multiple policy** — Some insurers offer discounts of 5% to 15% if you have two or more policies with them. For instance, if you already have a homeowners policy with an insurer, find out if the insurer will discount an auto policy.
- **Safety equipment** — Make certain your insurers know of any safety equipment in the areas they insure. As an example, if you have an alarm on your home or auto, you may be entitled to a discount.

- **Long-time policy** — If you've had coverage through an insurer for a number of years, ask about a reduced premium.
- **Healthy living** — Some insurers take your lifestyle into consideration when determining premiums. For instance, you may reduce the cost of coverage by stopping smoking, driving more safely, or maintaining a healthy weight.
- **Higher deductibles** — A higher deductible generally means a lower premium. But be sure to ask the agent about the pros and cons of higher deductibles before making your decision.

4. Make claims with confidence

Your first step in making a claim is to review your policy to be sure the service in question is covered. If you have questions, contact your agent or policy administrator.

Find out who sends in the claim paperwork to the insurance carrier. If you are responsible for the claim form, send it in as soon as you get the bill. Confirm all of your information — including policy number and service dates — prior to mailing it. Be sure to keep a copy of the claim for your records.

Allow a reasonable amount of time for your claim to be processed. You will be contacted if any additional information is needed to complete the claim. The insurance company will notify you in writing about the result of your claim.

If you disagree with the insurance company's decision, follow the company's appeal procedures. Many states require independent third-party review of health insurance complaints. You may be able to request external review of your complaint or claim. Although the company may answer basic questions over the phone, your appeal should be in writing. Take notes of phone conversations including the time, date, and name of the person you spoke with.