

King County Office of Emergency Management Podcasts ***Disasters: Are you ready?***

You Gotta Love Insurance

How is your insurance portfolio? For the Holdemans it is one area of our financial planning that we've taken pretty good care of. We have life insurance, disability insurance, long term care insurance, car insurance, uninsured motorist insurance, motorcycle insurance, extended warranty on our cars (which is a form of insurance), home insurance, personal property insurance, and YES—earthquake insurance and insurance in case the sewer system backs up. About the only insurance I don't have is flood insurance.

So—in total, I'm worth more dead than alive, but my wife says she still wants me around for the time being.

Did you know that people throughout the world spend nearly \$3 trillion a year for insurance? We buy coverage for everything from broken auto windshields to illness, fire, flood, air travel and, of course death.

FEMA has reported a milestone, with five million Americans protecting their homes through the FEMA administered National Flood Insurance Program.

However, in marking this milestone FEMA also announced that nationally, we have only about 40% of the homes needing flood insurance as having that coverage.

What got me thinking about insurance was the record flood event that we just experienced here in King County and most of the Central Puget Sound. The preliminary damage assessment indicated that there was \$4M in damages to people's homes and businesses here in King County alone. If I remember it right, Snohomish County reported an estimated \$10M in losses and Steve Bailey, Pierce County's Emergency Management Director told me the total in losses for their County for citizens tops \$70M.

My heart goes out to these people who suffered losses. In one case someone lost their new dream home that they were about to move into. There were a number of cases where significant damages happened when the various rivers moved, changing their path and carving a new channel. This is to be expected—but it always seems to catch people by surprise. Unfortunately as it often happens these types of events impact lower income populations who can least afford to suffer losses like these.

Insurance is one of the basic protections we can use to protect our property. Sometimes I ask people if once they have their homes paid for (like that's ever going to happen in my life time) if they will continue to have insurance for their homes. Do they expect that they will burn down? No—we don't expect that to happen, but as we all know it can happen. The fact is that your home is statistically more likely to suffer damages from flooding than burning.

Flood insurance is available to anyone, even if you don't live in a flood plain. Just contact your local property insurance company and they can assist you in obtaining something that will protect your most valuable possession—your home!

Lastly, if you live in King County you get a 35% discount on your flood policy's premium because of the excellent job the county has done in flood mitigation. This might even go up as high as 40% if the current flood plan before the King County Council is approved.

In this particular case, "We are King County, and we're here to help you!"