



BUSINESS PERSONAL
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Personal Insurance Payment Updates

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Insurance companies are not really very different than most other businesses—they are constantly looking for ways to streamline their business operations -- cutting costs while maintaining profitability. Keeping this in mind, several companies are tightening up their process for accepting late payments and reinstating policyholders' coverage when it is cancelled for non-payment of the premium due.

For example, effective 1 April 2019 Brethren Mutual will begin charging a late fee for payments received after the due date (MD=\$10, DC, DE, PA-\$12). BMIC will also start charging a reinstatement fee of \$25. And very important to note—if there are two or more *Notice of Cancellation Due to Non-Payment of Premium* issued during the policy term, the following renewal term will automatically change to Pay In Full only. A payment received after the cancellation date will be reviewed and depending on when it's received, it may not be eligible for reinstatement. Notifications will be included with all new business and renewals moving forward, starting on 1 April.

Many companies have already adopted various strategies to encourage policyholders to pay their premium on time. For instance, Progressive Insurance Company has no grace period and payments received within several days after the due date are applied to the policy, but with a lapse in coverage. If payments are received after the acceptable date, the policy remains cancelled and the unearned premium, if any, is refunded to the former policyholder. Check your specific company's website to determine the late payment/cancellation/reinstatement processes.

To avoid these late payment issues, we urge our clients to consider using the automatic payment options, known as Electronic Funds Transfer (or EFT), offered by most companies. These EFT payments charge a credit card or deduct payments from a bank account. EFT helps you to avoid lapses in coverage, late payments and fees associated with them, saves you postage, time and energy associated with remitting payments manually, and may actually lower the overall cost of your insurance.

As with any question or concerns you have regarding your insurance, call our office and we'll be happy to help you!

Homeowners Need to Create an Inventory Checklist

Do you have an inventory of your home? Would you be able to recreate a list of the items that were damaged in a loss? We offer some tips to get you started on this critical project.

Step 1: Walk Through Your Property

Document possessions inside your home. The more detailed the inventory, the better.

Step 2: Keep Your Inventory in a Safe Place

Store a digital copy off site – include pictures or video.

Step 3: Update Your Inventory Often

It's a good idea to review the inventory list at least annually.

Step 4: Remember Your Business Assets

Document the contents of your business, if applicable.

Step 5: Consider Valuable Items

Jewelry, art and collectibles are limited in policies.

Call us for information on securing a valuable items policy.