



Kansas Insurance Department

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By Sandy Praeger

Earthquake insurance coverage can be an option to homeowners policies

TOPEKA, Kan. — The recent spate of measurable earthquakes in Oklahoma, California, and even in Kansas have prompted some consumers and the media to wonder about earthquake insurance options.

With the number of earthquakes reported this summer, Kansans are certainly more aware of the possible need to purchase earthquake insurance.

Earthquake coverage is not a part of a regular homeowners, renters or condominium insurance policy. If your insurance company offers it — and most of them do — coverage can be added by including an endorsement to your policy or by purchasing a separate earthquake policy. In either case, you will pay an extra premium, but it is usually inexpensive.

A recent survey by the Insurance Information Institute shows that only 7% of homeowners nationwide have earthquake insurance. That is also the average for those of us who live in the Midwest. Even in California, only 12% of homeowners have purchased this coverage.

Most of us have heard of the New Madrid fault in Missouri, but many don't know that Kansas has a fault zone running through it too.

According to the Kansas Geological Survey, the Nemaha Ridge is a buried granite mountain range that extends from Omaha south to Oklahoma City. The Humboldt Fault Zone is the eastern boundary of the ridge, passing near Wamego, east of Manhattan to El Dorado. West of the ridge is the Midcontinent rift, which runs from near Salina to the Great Lakes region. This is a zone where the continental crust broke apart and drifted about 50 miles during the earth's early days.

As you ponder whether earthquake coverage is right for you, consider the following:

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- Coverage can protect your dwelling, other structures like a garage and your personal property. It may cover increased costs to meeting current building codes and costs to stabilize the land under your dwelling.
- Coverage doesn't include damage to your vehicles. That may be covered under your current automobile policy. Check with your local insurance agent or company to verify the vehicle coverage. If you have comprehensive coverage on your vehicle, the earthquake insurance is included, however.
- Questions to ask yourself: How much would it cost to repair or rebuild your home? How much would it cost to replace your household items? How much would it cost to find a temporary place to live because you couldn't live in your home after an earthquake?
- The deductible for earthquake insurance usually is 10-20 percent of the *coverage limit*. This is different from a homeowners policy, which is usually only one flat amount deductible, like \$500 or \$1,000.
- The time to buy the coverage is before an earthquake. Most insurers won't sell any new earthquake insurance for 30 to 60 days after a recent earthquake. Check with your insurance company to be sure.
- As with any household coverage, make a household inventory. Go through each room to write down and video everything. Store the inventory in a secure place at another location, such as a safe deposit box. (For a download of a Personal Home Inventory, go to www.ksinsurance.org, and on the home page scroll down under the "Quick Links" button and click on "Publications.") If you have a smartphone, you can get the application for a mobile personal home inventory, MyHomeScr.APP.book, from your phone's app store.

For additional assistance, contact our Kansas Insurance Department's Consumer Assistance Hotline at 800-432-2484.

The Kansas Insurance Department, established in 1871, assists and educates consumers, regulates and reviews companies and licenses agents selling insurance products in the state. More about the department is online at www.ksinsurance.org.