Before a Disaster: Your Insurance Checklist

COMMERCE DEPARTMENT

Prepare now. Protect what matters.

A disaster can cost you thousands of dollars if your home is damaged. Will insurance help you enough to afford to repair or rebuild your home? One way to find out is by asking your insurance agent these questions every year. The answers might change each time you ask.

Review and understand your policy before disaster strikes

Questions to ask your agent

- ? How much money will my insurance pay to repair my roof?
- ? How much money will it cost me to repair the damage?
- ? Is there something on or in my home that insurance won't pay to fix?
- ? Is there a type of storm, like a flood, that my insurance won't cover even if my home is damaged?
- ? If my home is damaged badly enough that I have to stay elsewhere, will my insurance pay for that? For how long?
- ? Are there things I can do to strengthen my home against a storm that can save me money in the long run?

How much money do you need?

- ⇨ It's going to cost **$30,000 to replace my roof**
- ⇨ My deductible is **$3,000**
- ⇨ My insurer is going to send me a check for **$20,000**
- ⇨ **I've got to come up with $13,000** to make repairs – plus whatever I've been paying in premium every month to have the policy in the first place

Key Terms to Know

Deductible
The amount you pay before insurance coverage begins.

Actual Cash Value (ACV)
Pays the value of damaged property after depreciation is deducted.

Replacement Cost Value (RCV)
Pays the cost to repair or replace damaged property without depreciation.

Depreciation
The reduction in value caused by age, wear and tear, or condition.

Additional Living Expenses (ALE)
Coverage that helps pay for temporary housing and other increased living expenses if your home is uninhabitable because of a covered loss.

When to call Commerce

Contact the Minnesota Department of Commerce if:

- ⇨ You have questions about insurance coverage
- ⇨ You cannot reach your insurance company
- ⇨ You are unsure where to start
- ⇨ You need help understanding your policy

Consumer Service Center 651-539-1600
consumer.protection@state.mn.us
mn.gov/commerce

Write down what you own

Take photos of each room, record a video, and create a written inventory.

Store copies in the cloud, on your phone, or in a safe deposit box with your insurance documents.

A home inventory can significantly speed up the claims process.

Save important information

Keep these items in a place you can access quickly:

- ⇨ Insurance company name
- ⇨ Policy number
- ⇨ Agent contact information
- ⇨ Emergency contacts
- ⇨ Mortgage information
- ⇨ Photos of your property

Reduce future damage

The University of Minnesota has checklists designed to help you understand and prepare for local weather and climate risks. Improvements may reduce future damage and help speed recovery.