

# Insights and Updates



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## Young adults and health insurance

The last edition of *Insights and Updates* included an article about the importance of college students maintaining health-care coverage. It's true that young adults are the most likely to go without health insurance. In fact, according to the U.S. Department of Health and Human Services, 30 percent of young adults are uninsured, representing more than one in five of the uninsured. This rate is higher than any other age group, and is three times higher than the uninsured rate among children.

But, many parents and their children who worried about losing health insurance after the children

left for school; moved away from home; or graduated from college no longer need to worry: The Affordable Care Act, passed by Congress and signed into law by President Obama in March last year, requires plans and issuers that offer coverage to children on their parents' plan to make the coverage available until the adult child reaches the age of 26. Plans and issuers that offer dependent coverage must offer coverage to enrollees' adult children until age 26, even if the young adult no longer lives with his or her parents, is not a dependent on a parent's tax return, or is no longer a student. This law was effective Sept. 23, 2010.

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If you do not have coverage for yourself or your child under 26, student health insurance or short-term coverage may be available to your full-time student. Though gaps may exist in these options, they are better than going without. If you are uncertain about your options, call our agency. With a little research we can help you find the best fit for you and your family.



## Did you know ...

The horrible earthquakes in Japan remind us about how vulnerable our own homes may be in the event of an earthquake. While we have the good fortune to be able to buy earthquake insurance for our homes, there are some things you should know about this type of coverage. First and foremost, earthquakes in the U. S. are not covered under standard homeowners policies; it must be added by endorsement for additional premium, or purchased separately in some cases.

The potential cost of earthquakes has grown because of increasing urban development in seismically active areas and the vulnerability of older buildings, which may not have been built or upgraded to current building codes. In the U.S. about 5,000 earthquakes strike each year. Since 1900, earthquakes have occurred in 39 states and caused damage in all 50. The potential damage and cost of earthquakes is increasing all the time because there is simply more building and development in risky areas.

While the U.S. experiences only 2 percent of the world's earthquakes, some 90 percent of its population lives in seismically active areas. Some of the most vulnerable cities include major metro areas in: California, Seattle, Portland, New York City, Salt Lake City and St. Louis.

Call our agency with any questions on your insurance policies and for information on earthquake coverage. We will help make sure you have the coverage you need at a price you can afford.

## Lending your vehicle

On occasion, you may have allowed another person to drive your car. Did you ever give thought to whether that person was insured while driving it? Maybe you've borrowed a car and wondered if you were insured while driving it. The good news is that, in most cases the owner's insurance provides coverage for the borrowing driver and the borrowing driver's insurance also provides coverage for the borrower.

Your insurance policy covers anyone who operates your car, as long as they have permission. When someone steals the car, the insurance policy excludes coverage for injuries and property damage caused by that person. However, with the appropriate comprehensive (or other-than-collision) coverage, there will be coverage for damage to your car caused by the thief.

You should know that some activities associated with anyone's use of your car are not covered. There is no coverage for someone using the car to transport people or property for hire (like a

taxicab). Also, no coverage exists in your auto policy for someone using the car in a garage business. For example, someone parking your car (parking garage or valet service) is not covered. Neither is there coverage for someone working at an auto mechanic shop (Express Lube attendant).

If the person driving the car is covered by the owner's policy, this coverage will pay first. Once those limits are exhausted, the borrowing driver's policy will begin to pay damages up to its limits. However, if the car is furnished or regularly available to the borrower, there will be no coverage on the borrower's policy. The limits on the owner's policy will have to suffice.

Since your policy covers people driving your car with permission, such as friends or family, you will want to use some discretion before giving your permission. Remember, it will be your rates that are affected by an accident.

When in doubt about coverage for the use of your car, please give us a call. This is the kind of service we are trained to provide. You don't have to wonder whether you are covered or not.





## Swimming, swimming

A swimming pool can be a rewarding addition to a backyard. It offers a place for family to gather, and provides fun and excitement for children and adults alike. Whether you currently have a pool or you are preparing to have one installed, there are a number of important considerations to be aware of.

**Notify us first.** It is extremely important that a homeowner considering installing a pool, or purchasing property with a pool on it notify our agency. We can help advise you on the insurance aspects, such as maintaining adequate limits. Often, a standard homeowners policy serves as the first layer of coverage for a home with a pool, but is not sufficient to fully cover a homeowner. The knowledge that a swimming pool is enjoyable is not restricted to the homeowner and the residents of the household. Swimming pools frequently are deemed by courts to be unusually attractive to children; accordingly homeowners cannot simply post a “no trespassing sign” and assume they have insulated themselves from liability. Because of the elevated risk

of liability, a conversation with a professional insurance agent can ensure that you have the proper layers of coverage to protect yourself and anyone who may be injured at the pool.

**“... a standard homeowners policy serves as the first layer of coverage for a home with a pool, but is not sufficient to fully cover a homeowner.”**

### Local codes & permits

Most, if not all municipalities strictly regulate the construction of pools. Installing a private swimming pool is a significant construction project; accordingly the plan must be approved by the local building inspector or the authority that has

jurisdiction over such construction. A pool that is not constructed to code may fall outside of an insurance company’s underwriting guidelines, and cause significant issues with insurability.

Assuming that a pool is constructed properly, the owner of the pool must also comply with a number of safety measures. Frequently, local municipal governments enact laws that address this issue. The requirements for barriers, fences, gates, latches and the means of direct entry into a pool area are designed to provide protection against accidental drowning, particularly for small children. These can be the requirements of the town or locality where the pool is located; your insurance carrier may demand additional safeguards, or may seek evidence that these safeguards were installed properly and have been maintained adequately. To ensure your coverage is not affected, make sure we are aware of all the safeguards you have installed.



## Wedding insurance



When a wedding goes right, it's beautiful. The dress, the ceremony, the reception; family and friends crying, laughing and dancing. A year—and often more—of coordinating dozens of vendors; making scores of decisions both trivial and significant; and many down payments has led up to this perfect day.

But, of course, as any event planner will tell you, the more intricate the plans, the more easily and spectacularly they can go awry. Fortunately, there is a way to help make sure your wedding day is special and not a day of pain and financial woe: wedding insurance.

Wedding insurance is exactly what it sounds like, a check against financial repercussions, should the wedding be postponed or canceled; or should some part of the celebration go terribly wrong. There are a variety of plans available, though the following protections generally are offered:

- **Event cancellation or postponement.** Makes you

whole financially in the event of cancellation or postponement, including money for the invitations, cake, catering, attire, as well as deposits for musicians, the floral designer and other vendors.

- **Liability.** Protects you financially against property damage or bodily injury at your wedding or arising from it. This type of insurance often is required by venues.
- **Liquor liability.** Protects you financially against legal liability expenses specifically for alcohol-related property damage or bodily injury.

Before you buy wedding insurance, check with your each of your vendors to see how well they're covered—your reception site or your caterer, for instance, may already have insurance. You wouldn't want to pay for overlapping coverage out of your own pocket. Ask your vendors for copies of their policies. We can help you figure out where you aren't fully covered.

## News from our agency

### Insurance agents go to school

Insurance school is where insurance agents go to get the proper education in order to obtain an insurance license. By law, all agents who sell or give insurance advice must be licensed in the type of insurance they are selling or giving advice for. Each state has its own licensing requirements, but generally insurance agents will be licensed in property/casualty insurance and/or life and health insurance.

Insurance agents are required by law to complete a specific number of hours of continuing education each year to maintain their license. It is important to know how your agent obtained his or her insurance license, how long he or she has had it, and if he or she gets it renewed regularly. Any legally licensed insurance agent would not have a problem giving you this information.

Remember: Insurance agents are educated by law!

And finally, as a professional, independent agency, we have access to several different companies. You can contact us at (856) 935-0845 or by visiting our website at [www.hdyoung.com](http://www.hdyoung.com). You also can find us on Facebook.

