

January 2013

News and Tips to Make Your Life Easier, Safer, and Happier...



### Special points of interest:

- **The State of the Insurance Industry** <cover story>
- **A Look Back at Our 2012 Referral Winners (Pictures)** <page 2>
- **2013 Referral Contest & November Winner** <page 3>
- **Picture of the Month** <page 4>

### Inside this issue:

2012 Referral Contest Winners	<b>2</b>
Referral Winner Announced!	<b>3</b>
Picture of the Month	<b>4</b>
Trivia Contest!	<b>4</b>

Want to see what Rich thinks about Rental Car Insurance?



Scan this!

# The Hauswirth Report

## The State of the Insurance Industry

Many of us in the insurance business are actually quite thrilled over the idea that 2012 has come and gone. It was by far one of the most active periods in the last 20 some odd years with mega-disasters that hit us around the globe. With many of these disasters, most had insurance coverage available and — best of all — these disasters were paid. **The insurance industry is well-funded and was able to sustain all of the disasters that occurred during 2012.**

So as we begin a brand-new year, it has been the tradition at Hauswirth & Sons Insurance to give you, our customers and friends, our view as to where we see the insurance markets for the next 12 months. Our entire Protection Team spent most of November and December with our clientele submitting claims as a result of the October 29th hurricane. Some of our homeowner carriers are still not writing new business and have recently advised us they will revisit that decision before the end of January.

In this article, we will break down where we see items happening in the various important portions of our markets to give you a little more insight into our business.

### **AUTO INSURANCE**

Automobile insurance in 2013 will remain competitive and I'm sure we will have no shortage of television and radio commercials looking for your business. Some carriers will be taking modest premium increases throughout the year as

costs increase on the medical portion of the insurance premium. We recently learned that Encompass Insurance has filed for a 6.9% rate increase with the Department of Insurance.

We currently represent five great auto insurance carriers that remain very competitive with premiums and provide our customers with excellent

penalties. Not disclosing licensed drivers in your household is also a major concern and can lead to claim denials and penalties if you are found guilty.

**Auto insurance rates are constantly changing, so please do not assume that your current coverage is the best one in the market.** Even New Jersey Manufacturers Insurance Company (NJM) is not as competitive as it used to be. In many instances, we have found rates from our insurance carriers to be less than those of NJM. If we do not currently write your auto insurance, please give us a try!

### **HOME INSURANCE**

At the present time, 75 to 90% of our clients have homes located in the coastal New Jersey area. All of the carriers we deal with that write home insurance were severely affected by the recent hurricane.

Most all of our insurance carriers have said that they will be re-entering the home insurance market during 2013 for new business. **We do not expect any disruption in the home insurance market during 2013,** however, insurance companies writing home insurance in coastal areas may place more restrictions on what they are willing to write along the coast. We may also see an increase in storm-related deductibles.

**Our office will remain an active participant in writing coastal property for the foreseeable future.**

Continued on page 2...



## 2012 Referral Winners!

(This could be You in 2013!)



Pastor Stephens



Kathleen Dundon



Kathy Robinson



Lois Olsen



Lynn Fetter



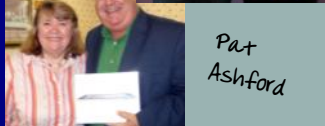
David Spade



Toula Rosbrock



Tina Pilot



Pat Ashford

## The State of the Insurance Industry... cont'd

### FLOOD INSURANCE

Flood insurance is a federally sponsored and federally administrated program and is not written by private insurance companies. The last time we saw a private insurance company offering flood insurance was back in the early 1960s. **All insurance rates, as well as all claims practices regarding flood insurance, come from the United States Federal Government.** The National Flood Insurance Program (NFIP) was designed by the government to be a break-even program. The number of coastal storms, as well as the severity of these storms in recent years, has caused the program to go into serious debt.

During 2012, Congress passed the Biggert-Water Flood Insurance Reform Act of 2012. This was a monumental piece of legislation that was long overdue! Most important was the fact that it reauthorized the National Flood Insurance Program for a full five years. Parts of the legislation also addressed, in great detail, the amount of overall debt the program had been carrying the last seven years. As you can imagine, this means there will be several rate increases. **During 2013 you will see a 25% increase in the overall cost of flood insurance on all non-primary homes.**

The NFIP feels the rates on secondary homes has been subsidized for a long time. It is their goal to bring the rates to a level where they feel it should be. You can also expect a 25% increase in the cost of flood insurance covering business properties in July of 2013.

In a telephone interview we had recently with a director of FEMA, we were told that **only 60% of homes that are located in flood hazard areas currently have flood insurance.** FEMA feels that if more

homes in flood hazard areas were insured, the need to increase rates would not be necessary. But, they cannot force people to buy flood insurance unless they have mortgage loans that are underwritten or sponsored by a federal agency. Based on several hurricanes over the last few years, FEMA is also proposing to raise base elevations in coastal areas. This will allow them to increase rates or force people with a low elevation property to raise the home.

Our office maintains a strong working knowledge of the National Flood Insurance Program as well as the changes which are occurring on a weekly basis.

### COMMERCIAL INSURANCE

Commercial insurance rates, including general liability and commercial auto insurance, will be affected due to the catastrophic events in 2012 as well as demand on the overall industry. **Commercial rates will be taking some serious increases in 2013** mainly due to our ever-increasing economic recovery and the demand for more commercial insurance, which will cause an upward pressure on rates.

Most all commercial insurance carriers, as well as reinsurance carriers, do not see any disruptions in the market (assuming that we have no more mega-catastrophes in 2013).

### HEALTH INSURANCE

our office has written several articles as well as blogs on the recent changes to our healthcare law, which most people now know as Obama-Care. The legislation has survived challenges before the United States Supreme Court and is now the law of the land. Many provisions of the Health Care Act will go into effect in 2013 as well as in

2014. Many of the individual directives associated with the law have yet to be written by the appropriate federal agencies. We continue to write about the various provisions in the law at our website — [www.NeedHealthInsurance.biz](http://www.NeedHealthInsurance.biz).

**Our group health department continues to insure New Jersey businesses for their health insurance needs. We also have a market in individual health insurance.**

The year 2013 will be a serious challenge for the insurance industry and one where changes will occur on almost a weekly basis. At Hauswirth and Sons Insurance Consultants, we take our responsibility very seriously and we feel it is our job to keep you, our customers, informed on these changes as they occur.

We will continue to publish a newsletter every month, as well as place educational information on our various websites as well as in our email notices. **We want you to know that if you need us, we will be there to answer your questions and help out in any way that we can.**

**We wish all of our customers and friends a healthy and happy New Year!**



Follow Hauswirth & Sons Insurance Consultants:



# 2013 Referral Contest

Just Keep Talking!



## Thank You For Your December Referrals!!

- Linda Lobb
- Cathy Sickles
- Carol Johnson
- James Balmann
- Keith Martin
- Paul Lenzo
- Michele Cardinole
- Donna Thompson (Knox)
- Lester Mattison
- Jason Froumy
- Andrea Davidson
- Frank Janda
- Michael Milano
- Paul Lenzo
- Louann Novak
- Tina Pilot
- Jason Price
- Nanette Marino
- John Bottigliero
- Travis David
- Josh Blair
- Dominick Guido
- Kathleen Halbing
- Nancy Wolf

## How it works:

It's easy, simply tell a friend, relative, acquaintance or whoever about us! Make sure they tell us you sent them—but don't worry, we still ask when they call.

## What you win:

1. For each referral you send, you will automatically receive a \$10 Wawa Gift Card!
2. You are also automatically entered in the monthly drawing for an Apple iPad 2!



NEW Prize!!



3. For each referral we receive, we'll donate \$5 in Your Name to the Lacey Township Food Bank!!!

## November Winner:



Congratulations to this month's referral contest winner, **Dominick Guido**, who received a brand-new Apple iPad 2! Congratulations Dominick!

### PROGRAM RULES AND DISCLAIMERS

- There is no limit on the number of chances to win.
- Our contest is open to any human being on the planet who refers a friend, family or colleague to inquire about our agency.
- You do not have to be a client to receive your free \$10 gift card or to be entered for a chance to win any of the randomly drawn prizes.
- You do not have to be present at the drawings to win.
- This offer is not in connection with, or inducement to buy any insurance product from Hauswirth & Sons Insurance. We reward the referrer for the lead only.



Sign Up for Contest Updates!

Visit: <http://eepurl.com/LOJB9> or Scan the code to the right







“Since I have walked into Hauswirth & Sons in November, Everyone in the agency has been very nice, helpful and with happiness too. I have been very happy with everything they have done with and for me.”

Devin P. | Forked River, NJ

**The Hauswirth Report**

Quote of the Day → “The secret to a rich life is to have more beginnings than endings.” - Dave Weinbaum

Last Month's Trivia Winner, **Margaret Gerba**

Last Month's Trivia Question & Answer:

**Q:** Which country criminalized the celebration of Christmas?  
**A:** England

**A Not-So-Trivial Pursuit** ???

*We're trying our best to stump you in 2013!*

Test how much you know about Football with this month's trivia question. It's easy—simply send your answer to the question listed below to our Trivia Coordinator, Ann Fuchilla. **There are 3 easy ways to send your answer: 1. Email [ann@hauswirth.net](mailto:ann@hauswirth.net); 2. Fax to 609-693-4935; 3. Come to our office!**

The first person to respond with a correct answer wins a bottle of our private label Hauswirth Cellars wine. The next six correct respondents will each receive a free pizza at Via Napoli Pizzeria in Forked River. **Good luck!!**

**Q: Which quarterback led the 1951 Cleveland Browns to an 11-1 season record?**

Follow Hauswirth & Sons Insurance Consultants: