



WRIGHT & KIMBROUGH

REPORT

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Managing Your Risk

Insurance Checklist for the New Year

D ID YOU make any New Year's resolutions this year? Besides making time to rid your life of bad habits or setting goals to improve your life and health, the start of the year is also a perfect time to re-evaluate your insurance coverage needs.

This is especially true if you've had any significant life changes or made large purchases during the prior year.

Policy review triggers

- Having a baby
- Getting married or divorced
- Making add-ons to your home, like a new deck or swimming pool
- Making big purchases like an entertainment system or appliances

You can call us to schedule a time to review your policies to make sure they meet your current needs. The last thing you want is to be underinsured in case you have to file a claim.

We can help to check if your coverage is adequate or if you might need to make adjustments. If you haven't had a life-changing event or any of the above scenarios, you should still talk to us as you may be eligible for discounts. Here are some things to consider:

Life insurance

You may need to make changes to your life insurance policy if you've had a child, divorced, remarried or obtained a new mortgage or job.

In the case of the birth of a child or a new marriage, you may want to increase your death benefit. Call us to see if your insurance company requires a physical exam before increasing your coverage levels.

On the other hand, you may want to reduce your coverage if:

- You pay off your mortgage
- You retire
- Your children finish college.

Homeowner's or rental insurance

After years of steadiness, homeowner's and renter's insurance rates are on the rise due to the increasing costs of natural catastrophes that have been hitting with increasing frequency in the past few years.

If you live in an area prone to disasters – floods, hurricanes, earthquakes, wildfires or tornadoes – you may see more pronounced rate hikes.

That's why it's more important than ever that you update your home inventory and make sure your homeowner's or renter's policy is up-to-date.

You can make the process more efficient by using the National Association of Insurance

Commissioners' free home inventory smartphone app: myhomescr.APP.book, which you can find on iTunes or Google Play.

After you have made note of any material changes, including any work you have done on your home, call us to go over your policy.

Auto insurance

If you have had an accident or a few tickets in the past year, it would be worth a call to go over your auto insurance policy with us.

You should make sure all of your limits are appropriate, particularly the liability portion.

If you have not updated your liability limits recently, maybe you should. Besides medical costs having increased substantially in the past decade, the cost of repairing modern cars is also much higher than in years past.

If you have low liability limits and you exceed the limit, you may be out of pocket for any excess costs from damage or injuries that you may have caused.

Review your deductibles for comprehensive and collision coverage. ❖

**Wright & Kimbrough Insurance
Wishes you a Happy New Year**

2019

CONTACT US



If you have any questions regarding any of these articles or have a coverage question, please call us at:

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New Liability

Before Renting That E-Scooter, Check Your Insurance

RENTABLE ELECTRIC scooters are sweeping across cities all over the country, and they are popular for taking quick jaunts around town without having to walk or drive a car.

There is something nostalgic about riding a scooter, reminding us of our childhoods. On top of that, they are an easy way to get around.

To take a ride on one of these e-scooters, the rider needs to download the affiliated smartphone application and create an account. The app will then tell you the location of the nearest parked scooters.

Unfortunately, emergency rooms are also seeing an increase in the number of people who have been injured in accidents when riding these scooters.

And if you are riding one and you crash into a person's car, or injure someone, there are liability issues that your current insurance may not cover.

E-scooter dangers

- A vehicle can hit you.
- You may hit a pedestrian, a vehicle or other property.
- You can crash due to road hazards or a malfunctioning scooter.

Liability issues

If a third party is injured or there is third-party property damage, the liability will likely fall to the negligent party. The scooter renter and the scooter company itself may both be liable for injuries caused by riders.

That said, though, e-scooter riders are not required to carry liability insurance, so if the claim falls back to you due to your negligence, you may not be covered by your current insurance.

For example, your standard auto policy will exclude liability coverage for a vehicle with fewer than four wheels. Hence, damage or injuries you cause while driving an e-scooter would typically not be covered under your personal auto policy.

The agreement you sign for most e-scooters includes a warning that "your automotive insurance policies may not provide coverage for accidents involving damage to this vehicle."

Additionally, homeowner's policies exclude liability for damage by any vehicle that is self-propelled. These policies do not cover damage done by a motor vehicle, as that sort of damage is more appropriately covered by an auto policy.

Umbrella policy coverage

The only policy that may offer some coverage is a personal umbrella policy. But, umbrella policies provide protection over and above the limits of any other policies you may have, like your auto and homeowner's policies. Sometimes, however, the policy may cover risks that are excluded from your other policies.

Check your umbrella policy to see if it contains an exclusion for vehicles with fewer than four wheels. If it doesn't, the policy may cover any damage you cause when riding an e-scooter.

So, before you decide to rent an e-scooter, understand that the price of the rental does not include insurance. You can call us to see if any of your current policies would provide coverage if you crashed on a rented e-scooter. ❖

Exercise Extreme Caution Around Large Trucks, Buses



AS THE economy hums along, we are sharing the roads with more trucks than ever before. Unfortunately, many people do not exercise the extreme caution required when driving around 18-wheelers, container trucks and buses.

And if there is an accident, due to their sheer size and weight, they can crush a passenger vehicle, seriously injuring or killing the occupants.

Trucks have tremendous blind spots, take longer to brake and often require multiple lanes to make turns. If you are also driving in hazardous conditions like icy, snowy or wet roads, the chances of an accident grow.

Another vehicle in or encroaching into the truck's lane was the critical pre-crash event for 73% of fatal large-truck crashes in the U.S. last year, according to the Federal Motor Carrier Safety Administration.

Fortunately, there are steps you can take to avoid having an incident while sharing the road with trucks and buses.

Five tips for driving around trucks

1. Stay out of blind spots – You're small and those trucks are giants. Even though the drivers are sitting high above you, that size comes with huge blind spots for the truck drivers. Here is a good rule of thumb if you must drive in the lane next to a truck: If you can't see the driver through their window or in their sideview mirror, the chances are good that they cannot see you either.

It's better if you don't drive in their blind spot at all, so strategically position your vehicle so that you stay behind or ahead of the truck, if possible. Be careful when merging into a lane next to a truck.

2. Pass with care – As mentioned above, make sure you see the driver in their mirror before passing. Start signaling early and then move into the left lane and accelerate so you can as quickly as safely possible pass them and get out of their blind spot.

When you merge back into the same lane as the truck, make sure you do so only when the truck is visible in your rearview mirror.

Don't pass going downhill or while in the right lane.

3. Give a wide berth – When driving near trucks, be sure to give them a wide berth. Don't tailgate, or linger too long alongside a truck and make slow predictable movements. Do not cut off a commercial truck or bus. They need more time to brake and slow down than passenger vehicles and they are heavy, so if they crash into you the results can be catastrophic.

4. Don't tailgate – Tailgate at your own peril. If the truck or bus in front of you must suddenly stop and you rear-end the vehicle, the chances of severe injury or death are extremely high. Also, don't stop too close behind a truck at a light either. If someone rear-ends you or the truck rolls backwards, there could be serious consequences.

5. Watch for wide turns – Trucks need extra space to make turns, and they will often start a turn from the second lane to the right in order to navigate the corner. If you see a truck with its turn signal on, don't try to squeeze in between the inner lane and the vehicle. Keep your distance. ❖



Buying Life Insurance with Pre-existing Conditions

HAVING A medical condition doesn't automatically disqualify you from buying life insurance. While finding coverage can be more difficult than it is for others, individuals with challenging medical histories and even severe conditions can usually find at least some coverage.

Thanks to recent advances in medical technology, many people with pre-existing conditions are finding it easier than ever to qualify for life insurance at a price they can afford. Even HIV-positive individuals may qualify for life insurance from certain carriers now – a circumstance that was nearly unthinkable just a few years ago.

Risk categories

Terminology varies, but life insurance companies typically have several pricing tiers:

- **Preferred plus** – Perfect health. No history of health problems. Weight, blood pressure, cholesterol level and other lab results are all at or near optimal.
- **Preferred** – Excellent health. May have one minor issue, such as slightly elevated cholesterol or blood pressure.
- **Standard** – Average health. Some people with mild or controlled pre-existing conditions may qualify for life insurance.
- **Standard plus** – Applicants with more severe pre-existing conditions may qualify as a "standard plus 1" or higher. Carriers are still willing to issue policies to many people with pre-existing conditions, as long as these conditions have been under control for a set period of time.

For example, diabetics may have to submit medical records that demonstrate that their blood sugar levels have been under control for at least six to 12 months. Some carriers will issue policies to individuals with a history of certain cancers – typically after a waiting period of several years after the cancer is in remission.

In seeking coverage, you should bear the following in mind:

Expect higher premiums. Naturally, the more severe your pre-existing condition, the higher the premiums you can be expected to pay. It's a function of the historic mortality rates of others near your age in similar health.

Use an independent insurance broker. Each insurance company underwrites risk in different ways. For example, some companies are more willing to take on individuals with diabetes than others, or have looser requirements. An independent insurance broker can present your application to a number of different carriers with favorable underwriting to get the best policy for you, at the best possible price.

Expect to provide more records. Once you submit your application, your carrier may want additional medical records, or other tests before issuing a policy. Don't be discouraged by this process – often, the underwriters are asking for more

information to justify putting you in a more affordable risk category.

Limited underwriting policies. Some carriers issue smaller policies with no medical exam and limited medical underwriting. They may just do a medical records check and ask you a few health questions.

These policies are easier to qualify for, but because they attract others with health problems, the premiums are more expensive than with fully medically underwritten policies.

Guaranteed issue life insurance. A few carriers will issue small whole-life policies – typically \$25,000 – on a nearly guaranteed basis. There may be an exclusion period of two to five years before the policy will pay a benefit. These smaller policies are useful as burial and final-expense policies.

If your pre-existing condition is not severe, you may be better off applying for a fully underwritten life insurance policy than for a limited underwriting or guaranteed acceptance policy.

Workplace group life insurance. Some employers provide smaller no-underwriting or limited underwriting policies to all full-time employees.

You may just have to answer a few health questions, or you may automatically qualify just by being an employee. These policies may not be portable, however – in some cases, you lose coverage if you leave the company. ❖

