



Insurance Advisors Are Not All the Same

I know you have likely seen the infamous insurance commercials: the little gecko says that 15 minutes could save you 15% or more on car insurance, Jake, the everyday guy wearing his khakis, or maybe you heard “you might think you are in good hands until Mayhem hits.” These commercials serve as a daily reminder of this principle - you should not venture into making insurance choices on your own. Just as you have a team of advisors for legal counsel, financial planning, accounting and the like, insurance advisors should also be made a part of your team.

With the ever-changing world we live in, you must be able to rely on your insurance advisor to understand you - your lifestyle, values, family dynamics, businesses, hobbies, goals, and special interests. Only then will they be able to identify the risk areas that pose a potential exposure concern. A highly credentialed, experienced insurance advisor will make a personal insurance risk review part of your financial plan to better understand risk factors and determine the protection you need.

Your trusted insurance advisor will work with you and help you make informed decisions by educating you on the most complex of issues. The same advisor should have access to a multiple of insurers, not just one, allowing your program to be customized and tailored to your unique needs. Allowing them to fully understand your world empowers your advisor to best address risk exposure with a plan that ultimately brings you the greatest peace of mind.

Simple things to keep in mind when working with your insurance advisor:

1. Be wary of the task or order taker, you want an advisor.
2. Communication is critical. An insurance advisor cannot know you or your individualized needs if contact is infrequent and only at the renewal of your policies.
3. Insurance quotes cannot be simplified to “Apples to Apples.” As the metaphor insinuates, there are red, green, and even rotten apples. Customization and individualization are the key.
4. Work with an advisor. Do not opt for purchasing insurance without reliable guidance or service to back it up.

Find value, know value and work with value.

Points a trusted advisor will raise to understand where you may face exposure:

- Domestic Staff: background checks, Employment Practices Liability and vigilance when hiring caregiver or domestic employee
- Directors and Officers coverage when on a non-profit board
- The Sharing Economy – VRBO, Uber, Airbnb, Swimply, Turo
- Teen driver safety
- Libel, slander or defamation of character and Social Media utilization
- Trust liability
- Hiring Contractors – importance of certificates of insurance
- Earthquake safety tips
- Recommend optional coverages such as: Cyber, Equipment Breakdown, Flood, Excess Flood, Service Line to name a few
- Entertaining at home
- Loss mitigation ideas – check steel braided hoses and supply lines, install water leak detection/shut off systems, automatic seismic gas shut off valve, and more
- Rental exposures – short term/long term – require tenants have liability insurance and include requirement in the lease
- Travel Security and Worldwide travel protection
- Vacation Safety Tips
- Kidnap, ransom, and extortion
- Wildfire Mitigation and Protection
- Lifestyle Vulnerability assessment
- Value of Personal Property Inventory
- Artwork care and maintenance
- Maximizing available credits
- Annual Reviews/Semi Annual check-ins

Has your insurance advisor mentioned or done any of the above? Does any of this concern you? Are you currently exposed? The world is an unpredictable place and ever changing. Insurance advisors are not all the same. Do you have the right advisor on your team?

Case Study:

A client was on her boat in the marina enjoying the sunny day when she looked down and noticed her diamond tennis bracelet missing from her wrist. The bracelet was given to her by her husband at the birth of their eldest son and had enormous sentimental value. The client was heartbroken even though it was covered. The insurance advisor understood the original bracelet mattered more than the monetary value of it. After following up with the client the insurance advisor contacted the insurer and explained the situation causing the insurer to consider a different approach. Instead of quickly issuing a check for the value of the bracelet, scuba divers were hired to attempt to recover the bracelet and they did! That insurance advisor and insurer now have a very happy client for life.