

The steep increase in home insurance plus the difficulty of finding companies to write it is the basis for the NVBCL Planning Committee to do research for clarity and perhaps find a better way forward. We've talked to residents, Property & Casualty agents, Delegate Anne Ferrell Tata, the State Corporation Commission (SCC) and the Bureau of Insurance. The problems we have seen appear to be a direct result of the strong storms we have seen recently (nationally, not locally). Insurance companies have sustained large losses. However, they can't recoup those losses only from the policy holders in the affected areas. Thus, they do two things: raise premiums nationwide and reduce risk by reducing or eliminating coverage in risky areas (like ours).

Currently, it appears that Nationwide and State Farm are dropping policies in our area. The SCC says there are 165 insurance companies writing home insurance policies in Virginia. Although we asked, the Bureau of Insurance was unable to tell us how many companies were writing home insurance policies in 23451. Some Property & Casualty agents mentioned Narragansett Bay, Sage Sure, Lloyds and Chubb as providers in our zip code. Those of us with military connections might have coverage with USAA.

There are some things you can do to reduce the cost of home insurance:

- Alarm system (centrally monitored)

- Water Leak/Electrical Hazard Detection System

- Total renovation to plumbing/electrical/roof

- Fortified roofs

- Whole house generators

- Green upgrades

- Higher deductibles (up to 10% of home, not property, value)

- Bundle your home insurance coverage with your auto and/or umbrella policy

Be aware of potential gotcha. If you have a mortgage and the mortgage company is notified by your insurance carrier that you will not be renewed, the mortgage company can (absent timely finding of a new policy by you) force placement of a home insurance policy. This policy will likely cost more and will have no liability coverage or coverage of personal property.

In summary, home insurance costs are trending higher, and some companies are eliminating coverage to reduce their risk. Work with a Property & Casualty agent to identify a new home insurance company. Consider one of the above mitigation options to reduce your cost. Finally, take timely action, as soon as you are notified about a pending loss of coverage.

Please click on this [link](#) to view a consumer's guide, a guide to home insurance rights and an article on forced placement home insurance. For questions contact Ron Pearson, ronspearson@cox.net.