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Build Insurance into Your Emergency and Disaster Planning

PCI's Tips on Conducting a Disaster Insurance Drill during National Preparedness Month

CHICAGO - Although too few people do it, the case for disaster preparation is very strong, according to the Property Casualty Insurers Association of America (PCI). The frequency and intensity of natural disasters has increased. Last year insured losses for catastrophes exceeded \$90 billion, making 2017 the second worst year on record in U.S. history. Only 2005, with Hurricane Katrina was worse.

Just last year hurricanes Harvey, Irma, and Maria impacted roughly 25 million people and produced insured losses, including federal flood losses, totaling nearly \$68 billion. However, a recent [PCI poll](#) conducted online by SurveyMonkey found 56 percent of residents across Texas, North Carolina, Louisiana, and Florida had not taken any precautions this year in advance of hurricane season.

"Too often we find that people overestimate their preparedness for natural disasters and other emergencies," said Chris Hackett, senior director - personal lines policy for PCI. "This can create a [gap in preparedness](#) and that could make a significant difference in how smooth your recovery will be in the aftermath of a storm or other natural disaster. The best way to keep from being surprised if you sustain damage is to review your coverage with your insurance agent or company each year."

Already this year, according to NOAA, the United States has experienced six weather-related natural disasters where losses exceeded one billion dollars. "With wildfires raging in the west, floods occurring in many parts of the country, and the peak of hurricane season ahead of us, every family should create an emergency plan that includes information about where to go and what to do if you are forced to evacuate," said Hackett. "Other steps include maintaining an emergency supply kit, practicing your plan with family members, and ensuring that your property is adequately insured."

This is National Preparedness Month and PCI recommends that you conduct a disaster insurance drill.

1. Think about the natural disasters that are likely in your area and the type of damage that could occur. Then call your insurance company or agent and discuss how your coverage works, review your policy limits and whether you're covered for flooding or earthquakes. This will help to ensure you are adequately insured and better able to withstand a catastrophic loss. Also, ask your agent or insurer about deductibles and discounts that may be available.

2. Consider things you can do to reduce damage to your property. Insurance is all about managing risk. The more likely you are to sustain a loss, the more you pay for insurance. Taking action to reduce the amount of damage that may occur when there is severe weather can reduce insurance costs and help speed the recovery process after a natural disaster.

3. Take a home inventory by using your smartphone. An inventory lists your home's contents, so you can quickly and easily account for all of your belongings and report the loss to your insurance company.

4. Prepare for power outages, inconveniences, and scams that could affect your finances. As severe weather approaches, fill up your gas tank in case you have to evacuate, have some cash on hand for emergencies, and charge all your electronic devices. After a storm, insurers may be able to assist policyholders with paying for expenses such as temporary housing if their property is determined to be uninhabitable due to the storm. As you repair or rebuild, work closely with your insurer to help avoid contractor fraud and abuse scams.

There is no better time to make an emergency preparedness plan for yourself, family and friends than now.

- [Make an Emergency Plan.](#)
- [Sign up for alerts and warnings](#) in your area.
- [Learn your evacuation zone and have an evacuation plan.](#)
- [PCI Encourages Insurance Policyholders to Know Their Coverage Options](#)
- [Review FEMA's Document and Insure Property guide](#) and consider [flood insurance](#) coverage

PCI promotes and protects the viability of a competitive private insurance market for the benefit of consumers and insurers. PCI is composed of nearly 1,000 member companies, representing the broadest cross section of insurers of any national trade association. PCI members write \$220 billion in annual premium, 37 percent of the nation's property casualty insurance. Member companies write 44 percent of the U.S. automobile insurance market, 30 percent of the homeowners market, 35 percent of the commercial property and liability market and 37 percent of the private workers compensation market.

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