



BUSINESS PERSONAL
FINANCIAL



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Personal Insurance Payment Updates

By Anita Munno, CISR, ACSR

Insurance companies are not really very different than most other businesses—they are constantly looking for ways to streamline their business operations -- cutting costs while maintaining profitability. Keeping this in mind, several companies are tightening up their process for accepting late payments and reinstating policyholders' coverage when it is cancelled for non-payment of the premium due.

For example, effective 1 April 2019 Brethren Mutual will begin charging a late fee for payments received after the due date (MD=\$10, DC, DE, PA-\$12). BMIC will also start charging a reinstatement fee of \$25. And very important to note—if there are two or more *Notice of Cancellation Due to Non-Payment of Premium* issued during the policy term, the following renewal term will automatically change to Pay In Full only. A payment received after the cancellation date will be reviewed and depending on when it's received, it may not be eligible for reinstatement. Notifications will be included with all new business and renewals moving forward, starting on 1 April.

Many companies have already adopted various strategies to encourage policyholders to pay their premium on time. For instance, Progressive Insurance Company has no grace period and payments received within several days after the due date are applied to the policy, but with a lapse in coverage. If payments are received after the acceptable date, the policy remains cancelled and the unearned premium, if any, is refunded to the former policyholder. Check your specific company's website to determine the late payment/cancellation/reinstatement processes.

To avoid these late payment issues, we urge our clients to consider using the automatic payment options, known as Electronic Funds Transfer (or EFT), offered by most companies. These EFT payments charge a credit card or deduct payments from a bank account. EFT helps you to avoid lapses in coverage, late payments and fees associated with them, saves you postage, time and energy associated with remitting payments manually, and may actually lower the overall cost of your insurance.

As with any question or concerns you have regarding your insurance, call our office and we'll be happy to help you!

Homeowners Need to Create an Inventory Checklist

Do you have an inventory of your home? Would you be able to recreate a list of the items that were damaged in a loss? We offer some tips to get you started on this critical project.

Step 1: Walk Through Your Property

Document possessions inside your home. The more detailed the inventory, the better.

Step 2: Keep Your Inventory in a Safe Place

Store a digital copy off site – include pictures or video.

Step 3: Update Your Inventory Often

It's a good idea to review the inventory list at least annually.

Step 4: Remember Your Business Assets

Document the contents of your business, if applicable.

Step 5: Consider Valuable Items

Jewelry, art and collectibles are limited in policies.

Call us for information on securing a valuable items policy.

Commercial Lines News

By Stephen J. Deadrick CLU, CIC

Pollution Coverage



The tanker truck that rolled over and spilled 40,000 pounds of hot liquid chocolate on an Arizona freeway produced a sweet aroma, but the damages that resulted were anything but sweet.

The tractor trailer that dumped thousands of gallons of milk did significant damage to local streams and wildlife, such as fish, and the ending result was a \$1 Million pollution claim. You don't have to be dealing with just hazardous materials to have a pollution claim. A pollutant simply means *something that is in an area where it doesn't belong.*

Almost all business have some type of potential pollution exposures that are most likely not covered by their normal business insurance program. For example, in a restaurant, poor maintenance and/or leakage of grease traps can lead to environmental liability. Restaurants are susceptible to mold, virus, bacteria, salmonella, listeria, norovirus and e-coli, and depending on the claim, coverage may not extend from your general liability policy. Again, almost all businesses have some potential for a pollution claim. These type of losses are best handled using a stand-alone pollution policy.

Please call our office to discuss your particular exposures.

General Liability and Workers Compensation Audits

We'd like to remind you to respond to the annual audit requests as quickly as possible. The carriers are surcharging customers who are not responding, and these surcharges can be severe. Maryland law allows carriers to apply a surcharge when audit requests are nonproductive.

Loss Control Services

Whether your need is an OSHA 300 Log, template for a company auto policy for employees, implementation of a drug-free workplace program, OSHA training for managers, etc. -- please allow us to help you. Most of our carriers have Loss Control experts on staff who stand ready to help at no cost.

Builders Risk Policies

Whether your project involves the renovation of a existing structure or the construction of a brand new building, please be reminded of the limitations once your project is substantially complete.

A Builders Risk policy will provide coverage for a limited number of days once construction is finished. We remind you to always check the vacancy clause. Don't get caught without coverage.

WELCOME

31 River Road
31 South Calvert & Lombard
103 Storage Way
200 Cromwell Terrace
AAA Automotive Service
Center, Inc.
Alde, LLC
Alfaro Underground, Inc.
Alpha to Omega Jewelry
Archer Schoen Associates
Auto Boss Group
Lisa Barber
Steven Brady
Broadview Advisors &
Company, Inc.
Bravo Construction
B&S Cleaning Services
Cajlan Properties
Family Remodeling
Far East Motors, Inc.
Fatouche, Inc.
FG1 Auto Body, Inc.
Foresight Affordable Housing
Reid Landing
Dan Goldberg
Hanagans, Inc.
JP Unlimited Services

Safest Vehicles

The Insurance Institute for Highway Safety (IIHS) has released its top safety picks for the model year 2019.

Here are the top five SUVs:

BMW X2
Honda CR-V
Hyundai Kona
Hyundai Tucson
Mazda CX-3

Visit us on the web at
www.ddminsurance.com

NEW CLIENTS

Kensington SIMCA Service
K-Lin Renovations
Robyn Lazaro
Life Companions
Veterinary Hospital
Matador Solutions, Inc.
Masters Pellet Stoves, Inc.
Mitch & Bill's Exxon, Inc.
Myrie's Island Kitchen, Inc.
Osvaldo Moreno
Rafiq and Jagwati Inayat
Harry C. Storm
Tidy, LLC
Type B, LLC
Universal Mining and
Consulting
Velvet Touch Rose Care
Kathryn Wheeler
Winkler Automotive Service
Center
Worrell Services

Homeowners Insurance Tip

***Insure your home for its
real estate value rather than
for the cost of rebuilding.***

When real estate prices go down, some homeowners may think they can reduce the amount of insurance on their home. But insurance is designed to cover the cost of *rebuilding*, not the sales price of the home. You should make sure that you have enough coverage to completely rebuild your home and replace your belongings—no matter what the real estate market is doing.

A better way to save: Raise your deductible. An increase from \$500 to \$1,000 could save up to 25 percent on your premium payments.

Source: Insurance Information Institute

Financial Service News:

By: Jack Rogers



We want to share important information with you about financial service products.

2019 HSA Contribution Limit Changes

In 2019, the HSA contribution limit will be \$3,500 for an individual and \$7,000 for a family. Individuals age 55 and older not yet enrolled in Medicare may make a catch-up contribution of up to \$1,000.

HSA Qualified Medical Expenses

The IRS provides a detailed summary of what they consider to be qualified medical expenses as described in Section 213(d) of the IRS tax code. The expenses must be primarily to alleviate or prevent a physical or mental defect or illness including dental or vision. A list of the expenses can be found at the IRS website www.irs.gov in IRS Publication 502 – Medical and Dental expenses.

2019 Individual Health Insurance

Open Enrollment for individual health insurance is closed until later this year. There are still certain situations that allow for enrollment mid-year.

Group Health Insurance

Enrollment for new group health insurance is alive and well.

We can also provide dental coverage on a group or an individual basis. Group coverage can be written on an employer pay or voluntary (employee pay) basis. Voluntary plans have become very popular. The employer provides some premium assistance for the group health and allows their employees to obtain voluntary dental coverage that is 100% paid by employees.

Group life coverage is another benefit that can be 100% employer or employee paid. For employee paid plans, there are minimum participation requirements, but coverage can be provided on a non-medial basis subject to meeting participation requirements.

Please ask for a sample quote next time your group health renews.

Term Life Insurance

We now have carriers who will issue term life insurance for up to 40 years. We can obtain quotes for any term period.

Please call our office, and we will be glad help with any of these valuable coverages.

**WE ARE PROUD OF OUR
PROFESSIONAL STAFF AND
INVITE YOU TO CALL US.**

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Wendy Parsons x 26

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