

Engagement Ring Insurance

Who should insure the engagement ring?

Purchasing an engagement ring is a big decision and you should be equipped with the right information before making your purchase. Here's a guide on making a purchase that will make your fiancée, bank account, and Trusted Choice® independent insurance agent say "Yes!"

Brace the bank

An engagement ring is an investment, and (thankfully) you get to dictate how much you're willing to risk. According to www.theknot.com in 2013, the average cost of an engagement ring is \$5,431. If that price makes you cringe, no worries—you can still find a great ring for a little less, but read the next section to ensure you don't compromise quality for price.

Understanding Girls' Best Friend

There are four elements to determining quality of a diamond—carat, clarity, color, and cut. Educate yourself on these elements. A carat is a diamond's weight, not size, so don't be fooled by how big a diamond may seem; the clarity is an assessment of a diamond's internal and natural characteristics. The color and cut of a diamond depends on preference; color is graded on an alphabetical scale, and cut varies, but affects the way the gem shines.

Certified & Appraised

Ask the jeweler for the assessment of the diamond and a GIA diamond grading report. An assessment of the diamond on the jeweler's stationary protects you in the event that the jeweler misrepresented the value and facts about the ring. A GIA diamond grading report also serves as backup verification for your

purchase— the Gemological Institute of America is the most respected lab in the world. If your jeweler cannot provide the assessment or GIA report, back out of the store slowly and find another jeweler.

Now the REAL big question: Who should insure the engagement ring?

You proposed, but your fiancée will live in their condo until the big day— what do you do? This is a matter of insurable interest. When you purchase valuables (like an engagement ring) for someone else and you want to insure the item, you are trying to create insurable interest. Insurable interest says, “I have a strong interest in this item but it does not reside in my home with me; however, I should be able to insure it for a period of time.”

The easiest way to create insurable interest for the person in possession of the ring is to make the use of the ring by her conditional...i.e., you still own the ring and it doesn't become your future spouse's until you both are married. Until that time, you have an insurable interest and there should be coverage under your policy.

If you make ownership conditional on marriage, you likely have an insurable interest and can insure it yourself. Since most homeowners policies limit theft of jewelry to about \$1,500 (some less, some more), the ring should be scheduled on his homeowners policy. An alternative is for your fiancée to insure it on their policy since coverage usually extends to any property you use, not just property you own. This assumes that either or both have homeowners policies (or they live at home and are covered by their parents' policies). When you are married, you both should have a single homeowners policy with both as named insureds and the ring and other jewelry scheduled on the policy.

Be sure to talk to your Trusted Choice® independent insurance agent about all of your options and steps to getting your new

future off to a bright start!

SOURCE(S):

<http://abcnews.go.com/Nightline/diamonds-decoded-experts-guide-buying-engagement-ring/story?id=19630519>

<http://www.independentagent.com/Education/VU/Insurance/Personal-Lines/Homeowners/Conditions/FacultyInsurableInterest01.aspx>

www.bankrate.com

An Insurance Agent Can Be Your Advocate

In his latest column in WorkBoat Magazine, Allen Insurance and Financial's [Gene McKeever](#) says your insurance agent can't legally represent you but can serve as your claims advocate and explain coverage correctly to the insurance company's claims representative. In this case it was important to help the claims person understand what the claim surveyor saw.

[See more at WorkBoat.com](#)

Health Insurance Deadline is Feb. 15

Open enrollment for health insurance under the Affordable Care Act ends Feb. 15, after which only individuals with a qualifying

life event can purchase health insurance.

It is also important to note that since open enrollment ends on a weekend, the last business day to apply and get personal help is Friday, Feb. 13.

For help with health insurance under the Affordable Care Act, you can call our special health insurance line: (855) 710-5700 or –

[button name="Use Our Enrollment Portal"
url="https://alleninsurance.insxcloud.com/my-quote/individual-info" target="_blank"]

This short video provides an introduction to the services we offer to our individual health insurance clients.

Flood Insurance Facts: An Inch, Two Feet and a Loan that Must be Paid Back With Interest

Floods and flash floods happen in all 50 states. Last year, one-third of all claims paid by the National Flood Insurance Program were for policies in low-risk communities. Here are some other things you should know about floods and flood insurance.

- Just an inch of water can cause costly damage to your property.
- A car can easily be carried away by just 2 feet of flood

water.

- New land development can increase flood risk, especially if the construction changes natural runoff paths.
- Federal disaster assistance is usually a loan that must be paid back with interest.

For more policy and claim statistics, visit the [National Flood Insurance Program](#)

Water in the basement is often not a “flood”

Note that many times water in your basement will not be a covered loss under a flood policy. A flood is defined as a general and temporary condition of partial or complete inundation of two or more acres of normally dry land area or of two or more properties (at least one of which is the policyholder's property) from overflow of inland or tidal waters, unusual and rapid accumulation or runoff of surface waters from any source, or mudflow.

If your loss is caused by a flood, and the flood is the proximate cause of the backup or seepage into your basement, your NFIP policy will cover many of your most critical items in the basement, like central air conditioners, drywall, electrical junctions, circuit breakers and switches, fuel tanks, furnaces, hot water heaters, sump pumps and more.

Source: MiddleOak.com

[Visit our Flood Insurance web page.](#)

How Much Home Insurance is Enough?

Based in Rockland, Camden, Belfast and Southwest Harbor, Maine, Allen Insurance and Financial understands the home insurance needs of our customers. We'll work with you to estimate the replacement cost for your home and to adjust your policy limits from time to time as needed.

It is critical that you provide us with accurate, updated information about your home and contents. If your dwelling limit accurately reflects your home's true replacement cost, some companies will pay more than the limit if a covered loss is greater than the limit on your policy.

Once a review of your home and possessions indicates you are properly insured, it's a good idea to reexamine your coverages and limits from time to time, especially whenever you make additions or improvements. Allen Insurance and Financial can help you re-evaluate your insurance needs, just give us a call at 800-439-4311 to speak with one of our agents.

Be Sure You Have Enough Homeowners Insurance

Here are some steps you can take to reduce the danger of being seriously underinsured:

1. **Call Allen Insurance and Financial.** If you have questions or concerns about the limits in your policy, ask us to show you how those amounts were calculated. This will also give you an opportunity to make us aware of any overlooked information.
2. **Read your policy.** Certain property, such as jewelry, and certain perils, such as earthquake or flood, is better insured separately. Knowing what is covered and for how much will help you insure properly. If there is anything

in your policy you don't understand, call your insurance agent and ask for an explanation.

3. At each annual renewal of your policy, you receive a new Policy Declarations page showing limits of coverage and optional coverages. **Review this information.** If you do any significant remodeling or add a family room, extra bedroom or bathroom, etc., tell us about these changes so your coverage limits can be adjusted to cover the improvement.
4. **Consider** carefully whether your policy provides all the protection you need. Does it provide coverage for extra costs resulting from building code changes? Does it automatically increase coverage limits annually to keep pace with inflation? Does it provide additional funds if the cost of rebuilding your home exceeds the policy limits?

Make sure you know:

- Will your insurance company stand behind agreed upon repairs after a claim? Some companies are willing to put this guarantee in writing.
- Does your policy include replacement cost coverage for contents (clothing, furniture, appliances, and other personal property inside your home)? If not, you can add it by endorsement. The cost is small, the protection valuable. Replacement Cost Coverage pays for losses to your possessions at the cost of brand new items. Without this option, a covered loss to your personal possessions would be depreciated by their age and condition, reducing the size of your claim settlement.

If you have an art collection, antique furniture, jewelry, or other valuable possessions, talk to your agent about supplemental coverages, such as fine arts or scheduled property endorsements, to adequately protect your investment in these

items. The cost is modest for the extra protection, and often the deductible is waived.

Consider whether you should have more coverage for personal property (contents) than your policy provides. **Personal property coverage is usually 70% of the coverage limit for the structure.** Your limit may be lower than 70%. Supplemental protection is available for a small additional premium.

Inventory your home. Prepare an inventory of personal property items, update it periodically, and keep it in a safe place outside your home, such as a safe deposit box at your bank. It will save you hours of time trying to list everything damaged or destroyed if you need to make a claim. It will also help ensure you don't forget some items. Allen Insurance and Financial can advise you on >ways to simplify the job of preparing a personal property inventory such as videotaping each room with descriptive information on the sound track.

Personal Liability

Besides making sure you have enough protection to cover possible damage to your own home and contents, you should also evaluate your exposure to liability risks. These result from damage to the property of another, or injury to a person, not a member of your household, for which you can be responsible.

In recent years it's become common for homeowners to be sued for injuries or damages to others, even when there is no evidence of negligence by the homeowner. The reality today is if you have any appreciable assets, you are exposed to the risk of being sued. Even if you ultimately prevail in court, your legal fees and the months or years of worry and uncertainty can be a terrible burden on you and your family.

The Personal Liability coverage provided by your Homeowners Policy usually provides a limit of \$100,000 or \$300,000. You can increase this protection with a personal umbrella policy. Not only will it increase your personal liability, but also your

auto liability. Limits are available from \$1 million to \$10 million and beyond. The cost of this coverage is usually very reasonable.

Keep in mind that certain states can require certain minimum levels of coverage. The right coverage for you is unique – talk to Allen Insurance and Financial today to find out how to get the best price and value on home insurance for you.

Relocating Our Office in Belfast

On Wednesday, Jan. 14, 2015, Allen Insurance and Financial's Belfast office will be located at 94 High St.

From Thursday, Jan. 8, through Tuesday, Jan. 13, our office in Belfast will be closed. All staff – insurance and financial planning – can be reached during that time by phone at 338-0801. Allen Insurance and Financial opened its first Belfast office in April 2013.

Did You Get a Health Insurance Subsidy in 2014? Watch Your

Mail for Form 1095-A

From our health insurance team: Anyone who obtained their health insurance through the marketplace in 2014 should receive a Form 1095-A (Health Insurance Marketplace Statement) in the mail by Jan. 31. If you opted (as many have done) to receive an advance premium tax credit (subsidy) to help pay your monthly health insurance premiums, that information will be reported on Form 1095-A and must be included on Form 8962 (Premium Tax Credit) as part of the calculation of your premium tax credit and included with your 2014 federal income tax return.

Be sure to discuss questions with your tax preparer or accountant.

[Here is a link to the taxes page at healthcare.gov.](http://www.healthcare.gov/taxes)

[button name="Visit Our Affordable Care Act Web Page"
url="http://www.alleninsuranceandfinancial.com/insurance-service
s/health-life/health-insurance/affordable-care-act/"
target="_blank"]

Valuable Info about Health Insurance for Small Business & Self-Employed Individuals

The insurance industry has changed! Take advantage of a free informational meeting to learn what your options really are.

The Small Business Administration, Belfast Area Chamber of Commerce, Allen Insurance and Financial, and the Center for

Medicare and Medicaid Services invite you to attend a breakfast event on Jan. 21, from 7:30 to 9 a.m. at the Fireside Inn in Belfast.

Informational presentation followed by a question and answer session with:

- Seth Goodall, Region 1 Administrator SBA
- Dan Wyman, Health Insurance Insured Benefits Manager with Allen Insurance and Financial
- Jennifer Syria, Center for Medicare & Medicaid Services

They will explain some of the ins and outs of the Affordable Care Act, The Marketplace, and SHOP as well as options for small business people and self-employed individuals when seeking affordable health insurance.

A light breakfast, sponsored by SCORE Maine, will be served; thus, registration is required.

To register call 207-622-8551. Space is limited and registration closes on Wednesday, Jan. 14.

Maine Community Health Options and Community Pharmacies Working Together for \$0 Copays

Maine Community Health Options, the nonprofit health insurance co-op, has entered into an agreement with Maine-based Community Pharmacies to provide MCHO members with a \$0 copay for all generic medications.

Community Pharmacies is located in 10 towns in Maine: Blue Hill, Bucksport, Corinth, Cornish, Dexter, Gorham, Newport, Saco,

Randolph and Waldoboro.

Starting Jan. 1, a member in Maine or New Hampshire can fill their generic medications prescription at any of the 10 Community Pharmacies with a \$0 copay, provided the medication is on the MCHO formulary.

Maine Community Health Options ID Cards for Jan. 1 are Delayed

Maine Community Health Options has had a delay in printing and mailing ID cards for Jan. 1 effective members – this has affected MCHO customers who have purchased health insurance both via the federal marketplace and directly from MCHO.

MCHO members who have questions or concerns about this can call MCHO directly at 855-624-6463. It is important to note that given the number of people impacted by this, the hold time may be quite high. Members can also set up an account on the member portal at www.maineoptions.org and print a temporary ID card.