

CIA

Combined Insurance Agencies, Inc.



Greetings from the CIA

Representing:





A Message From The President...Strong Relationships

We know that developing strong relationships with our clients is important and we appreciate your business. Personal contact with your agent and your account manager in our local office sets us apart.

As an independent agency our multi-company approach allows us to represent many of the best carriers in the insurance industry. We build strong relationships with insurance companies that provide excellent claims service, financial strength, stability, and an ease of doing business for you.

As always, the past year offered opportunities to handle real problems for our clients. The

winter weather damaged many homes, automobiles, and businesses. Windstorms and other non-weather issues followed later in the year. Life changing claims were paid through life insurance, medical insurance, disability income, and workers compensation. These problems and their insurance solutions are the core of what we do.

Thank you for placing your coverage and trust with us. Please contact us anytime, we are here to help you.

Sincerely,

Robert H. Beemer, President
Combined Insurance Agencies, Inc.

Casey Russell Joins Michigan Young Agents Council

Michigan Young Agents Council (YAC) named CIA agent Casey Russell to its board this past year. The YAC is closely associated with the Michigan Association of Insurance Agents.

YAC offers an opportunity for young agents to add their voice to the legislative side of the insurance industry on the State and National level.

As a board member, Casey has helped lobby for meaningful insurance legislation in Lansing and Washington DC. Congrats to Casey!



Business Insurance - New Cyber Liability Coverage

Loss of confidential customer information from a data breach can be devastating. Causes can include a malicious computer hacker, system glitches from a routine software update, or simple employee mistakes. Responding to a data breach can be time consuming and very expensive. This insurance protection is not found in standard business liability coverage but can now be added. Please contact your

agent or account manager with questions or requests.



We Want You...CIA Sales Position

We are currently recruiting to add a new salesperson to our office. An insurance background is not required but a four year college degree and an interest in building a book of business is important. This is a challenging career position with salary plus commission and benefits. To send a resume or request more information please email Kristina at Kristina@ciainsurancemi.com.

Health Insurance Update

The Affordable Care Act (ACA) continues to be implemented and ongoing changes, revisions, and politics make it difficult to understand. We are here to guide you through your options and help you choose the coverage that's best for you. Listed below are a few things you need to know:

Enrollment Periods

The rules of the Affordable Care Act require that "open enrollment" for individual health insurance officially ended on February 15, 2015. This means you cannot purchase new health insurance or change your existing health insurance until the next "open enrollment" period of October 15th through December 7th, with all coverage changes to be effective on January 1, 2016. Exceptions to this fixed timeline include qualifying events such as the birth of a child, marriage, divorce, and involuntary loss of your current medical coverage.

"No Coverage" Penalty

This is the first year the ACA "individual mandate" tax penalty will be enforced. If you did not have qualified health insurance coverage for more than three consecutive months in 2014 you will be subject to a government penalty. The government offers a website to visit to determine the amount of your tax penalty - <https://www.healthcare.gov/taxes/no-health-coverage/>

Subsidies

If your income falls below certain minimum levels you may qualify for a government subsidy to offset the cost of your ACA health insurance. If you

have health insurance through "the marketplace" - www.healthcare.gov, you should have received form 1095-A the first week of February. Information on this form is used to complete form 8962 (<http://www.irs.gov/pub/irs-pdf/f8962.pdf>) which calculates your subsidy amount, if any.

Employer Provided Health Plans

If your health insurance is provided through your employer please contact them for answers to questions concerning the new ACA rules and documentation.

CIA Agent Tony Ventimiglia specializes in individual and group medical plans. He is a valuable resource for navigating the new health care law. If you have questions on medical, life, disability income, or long term care insurance please contact Tony: email – Tony@CIAinsurancemi.com or phone 269-983-7161.



Landis Celebrates 25 Years at the CIA



Congratulations to Tom Landis for 25 years of service as a CIA agent. Tom started at the CIA in 1989 with a background in sales, but new to the insurance business. His clients always benefit from his thorough approach and his helpful

demeanour. Tom reflects on this milestone, "I enjoy working with people and educating them on insurance issues. Every day brings a new challenge."

Tom has become a fitness guru in recent years. He can be found at the South Shore Health and Racquet Club almost every morning. Tom and his wife Debbie are longtime residents of Sister Lakes.

Are You Asking the Right Questions?

Here are common questions people ask about insurance.

Auto Insurance

- When do I add my son/daughter to my auto policy?
- My son/daughter moved out, when should I adjust my auto policy?
- I am renting a car on vacation, should I buy the insurance offered by the car rental people?
- When should I remove collision & comprehensive coverage from my older car?
- What auto insurance discounts should I be aware of?

House Insurance

- How do I insure valuable jewelry and expensive collectibles?
- Is my golf cart, ATV, and snowmobile insured for liability coverage if I hurt someone, or from physical damage due to a collision, vandalism or theft?
- Does my homeowners policy include flood coverage?
- Water shut off - is it a good idea when we leave on vacation or even for a weekend?
- What house insurance discounts should I be aware of?

Personal Umbrella Liability

- What is a personal umbrella policy?
- Should I have one?

Life Insurance and Disability Income Insurance

- How much do I need?
- What kind should I buy?



Bruce W. Owen
Vice President

To Find the Answers...

Please scroll down to the next pages.

*THE CIA REPORT
is published by*



*Covering individuals, families, and businesses
in Southwest Michigan for more than 50 years!*

www.CIAinsuranceMI.com

720 St. Joseph Drive, Saint Joseph, MI 49085
phone: 269.983.7161 | fax: 269.983.7349

Are you Asking the Right Questions?

Auto Insurance

Q. – When do I add my son/daughter to my auto policy? **A.** Add your young driver as soon as they receive their new driver’s license. Having a learner’s permit or taking driver’s education classes requires no change on your auto insurance, but once the new driver’s license is issued we need to add your son or daughter to your policy.

Q. - My son/daughter moved out, when should I adjust my auto policy? **A.** If your child is a full-time student living away from home they should remain on your auto insurance policy. However if they are not a full-time student, and not living in your household any longer, (and their auto is not garaged at your home)... then your young adult should have their own auto insurance policy and should be removed from the parent’s policy. Your auto insurance provides coverage for “resident relatives” who are named on the auto policy, and for automobiles listed on the policy that are “garaged at your home.” Coverage can be denied for an insurance claim if these circumstances exist. If you have questions or need to make a change, please contact us immediately.

Q – I am renting a car on vacation, should I buy the insurance offered by the car rental people? **A.** Maybe and maybe not. Your auto insurance policy automatically extends coverage for a short-term rental car driven in the United States. Your coverage is the same you carry on your personal auto policy for bodily injury liability, property damage liability, personal injury protection, and physical damage - collision and comprehensive. However rental car companies will also charge you for “loss of use” and “diminished value” if their rental car is damaged. Your auto insurance policy does not automatically provide “loss of use” and “diminished value” and the rental company charges can be expensive. Your auto insurance policy can be endorsed to add this extra coverage for about \$60 per year.

Q. – When should I remove collision & comprehensive coverage from my older car? **A.** The cost of physical damage (collision and comprehensive) should be compared to the market value of your car. Remember the insurance company will only reimburse you up to the current market value of your car. For example if the six-month cost of your collision coverage is \$175 and comprehensive coverage is \$25, you are paying \$400 per year to insure your car for physical damage. If the value of the car is only \$1,500 and you carry a \$500 deductible then the most you could recover is \$1,000 if the car is totaled or needs major repairs due to an accident. Spending \$400 per year to carry physical damage in this case does not make sense. However if the car has a much higher value then it is best to keep physical damage coverage in place.

Q. – What auto insurance discounts should I be aware of? A. Our companies offer the following auto discounts: favorable “insurance score” similar to a credit score, good student, good driver, claim free, auto-home, auto-life, auto-umbrella, multi-car, anti-theft device, ABS brakes, air bag, group discounts such as professional-alumni-senior and others, pleasure use or less than a three mile distance to work, high deductibles, automobile excess medical vs. full medical, single-pay 6 month or 12 month installments by check or credit card. Please contact us with questions or updates.

House Insurance

Q. How do I insure valuable jewelry and expensive collectibles? A. Your homeowner’s policy typically provides a maximum of \$1,000 or \$2,500 for theft of jewelry. Listing an item on your policy with a detailed description and/or appraisal will insure a piece of jewelry for its full value, with no deductible. This approach will also provide broader coverage including mysterious disappearance, unintentional acts, and a stone falling from its setting. The annual cost is approximately \$4 per \$1,000 value. Other valuables to consider adding include guns, artwork, rugs, rare coins, musical instruments, sports equipment and other collectibles.

Q. Is my golf cart, ATV, and snowmobile insured for liability coverage if I hurt someone, or for physical damage due to a collision, vandalism or theft? A. Liability coverage for unlicensed recreational vehicles including a golf cart, ATV, and snowmobile is NOT covered while operating off your residence premises. Liability coverage can be added to your homeowner’s policy for as little as \$25 per year. This important endorsement expands your homeowners personal liability insurance to protect you if someone is injured during the operation of your unlicensed recreational vehicle. Likewise physical damage to a recreational vehicle is excluded unless collision and comprehensive coverage is specifically added to your policy. Please contact us with any questions or requests.

Q. Does my homeowner’s policy include flood coverage? A. No, your homeowner’s policy excludes flood coverage. Flood policies are issued as a stand-alone policy so please contact us if you have an interest. All policies are written through the National Flood Insurance Program (NFIP) and underwritten in Michigan by Auto Owners Insurance, one of our key companies.

Q. Water shut off – is it a good idea when we leave on vacation or even for a weekend? A. It is a very good idea to turn off the water inside your home whenever you leave for an extended time. Water damage can be as devastating as a house fire. Damage can occur from a frozen pipe during a cold spell. Other causes can occur anytime such as a broken water heater, a broken hose on a washing machine, or vandalism to an inside or outside faucet.

Q. What house insurance discounts should I be aware of? A. Our companies offer the following homeowners policy discounts: favorable “insurance score” similar to a credit score, new home, new roof, central alarm system, smoke alarms, fire extinguisher, deadbolt locks, nonsmoker, claim free, mortgage free, higher deductible, age of insured, home-auto, home-life, home-umbrella, group discounts such as professional-alumni-senior and others, single-pay 12 month installment by check or credit card. Please contact us with questions or updates.

Personal Umbrella Liability

Q. What is a personal umbrella policy? Should I have one? A. A personal umbrella policy provides an added \$1million or more of personal liability insurance “above” (like an umbrella) your underlying policies – auto, home, boat, motorcycle, rental dwelling etc. This policy also provides legal fees to defend you in covered lawsuit. The cost for this additional liability policy is inexpensive at approximately \$150 - \$250 per year. Adding this coverage can be important to protect your assets from a lawsuit related to bodily injury, property damage, or personal injury.

Life Insurance and Disability Income Insurance

Q. How much do I need? What kind should I buy? A. One “rule of thumb” for life insurance is to carry 10 X your annual income for a young family breadwinner –husband or wife. The idea is to pay-off debts, provide for children’s education, and replace lost income so the family can continue. Life insurance policies for business owners also play a role in paying off business debt or providing buy-sell funding among business partners. We can help you determine the “right amount” to meet your needs. Then you can compare the types of insurance such as level term (and for how long) vs. permanent life insurance, or some combination of the two. Your current health, height/weight, age, smoking status, family health history etc...will play a big role in your pricing.

Disability income insurance provides a monthly payment if you are unable to work due to a serious illness or injury. The monthly payment amount can be up to 60% of your earned income and the benefit period is typically 2 years, 5 years, or to age 65. A waiting period of 30 or 60 days is typical for long-term disability income. If you have no employer provided long term disability insurance, or if you are self employed, this can be important coverage to consider. Please contact us with any questions, we are here to help.

Answers above are for general use. Details on your insurance coverage and your policy should be discussed with your agent.