



Mid Michigan Insurance Agency

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In This Issue

- From the Desk
-
-
- Happy Corner
- Today in Michigan History

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From the Desk

I would like to take the time to thank you for allowing us to be your agency of choice. You have chosen us to place your insurance needs, and we deeply appreciate it.

I hope you find this issue of our newsletter both informative and fun. We strive to make your insurance buying a pleasant experience.

Michael Hawkins
CEO

Flood Insurance



Do you need flood insurance? Well, walk to the nearest mirror and ask the person you see if he or she owns much property that could be damaged or destroyed by water. If the answer is yes, then you should seriously consider buying flood insurance. Most persons who need the protection buy coverage offered by the National Flood Insurance Program (NFIP). If your community doesn't participate in the program, you'll have to look into coverage from private insurance companies.

EMERGENCY CLAIM NUMBERS

If we are not in the office, please use these numbers to contact your insurance company.

Auto Owners/Home Owners: 888-252-4626 Opt #4

Auto Owners Road Assistance: 888-869-2642

Foremost: 800-527-3907

Frankenmuth: 800-234-4433

Fremont: 888-968-3664
(Press number 4 when prompted)

Grange: 800-445-3030
Grange Glass Claims: 800-951-9734

Hastings: 800-442-8277
(Press Number 2, then 6 when prompted)

Progressive: 800-776-4737

SafeCo: 800-332-3226

Wolverine: 800-733-3320

Is A Flood Loss Likely?

The chances of your business, home or personal property being damaged by a flood depends primarily upon where you live. They also depend on other factors such as:

- how much of a flood warning you receive
- the level of flood precautions you take (such as moving personal property from lower levels to higher levels), and
- the precautions taken by your community (such as the use of flood controls in construction standards or sandbagging threatened areas).

Floods are related to weather conditions and tend to affect very wide areas. This often makes chances of a flood loss higher than a loss from fires or windstorms. Many people have the obsolete belief that flood insurance is only needed if you live in a flood prone area.

I Live In A Flood Zone?!

If you hear the term "flood zone," you may think that it refers to locations that are particularly vulnerable to flooding. Wherever you live in the USA, you live in a flood zone. While your area may have a lower chance of flooding than a coastal area or a location situated near a body of water, your area could still experience flooding. A very dry part of the country can be susceptible to flash floods; hilly locations may be harmed by drainage; snowy locations may suffer from heavy snow thaw; other areas may suffer deluges or flooding due to a heavy rain season which has soaked the surrounding soil. So, if you've insured yourself against fire, wind and other causes of loss, it certainly makes sense to also protect yourself from the potential of a flood loss.

Why Worry When Disaster Coverage Is Available?

Are you thinking that, after a flood, your loss may be handled by the government declaring a disaster area? However, you're still taking a couple of large risks. First, your flooded locale may not be deemed a disaster area. Second, being designated as a disaster area is not a bargain. Disaster area status only gives citizens access to government disaster loans. IF you qualify for assistance, you have replaced insurance protection with an obligation to pay off a large, long-term loan. Is it worthwhile to gamble on an opportunity to pick up more debt? You'll find flood insurance to be a cheaper and much more valuable alternative.

Don't Be "All Wet"

You don't have to leave yourself unprotected. Your agent, an insurance professional, can help you with detailed information on the National Flood Insurance Program. You can also ask for help in getting the coverage you need in the face of a flood.

Happy Corner



Four expectant fathers pace in a hospital waiting room while their wives are in labor. The nurse enters and tells the first man, "Congratulations, you're the father of twins."

"What a coincidence," the man says. "I work for the Minnesota Twins baseball team."

A little later, the nurse returns and tells the second man, "You are the father of triplets."

"That's really an incredible coincidence," he answers. "I work for the 3M Corporation."

An hour later, the nurse tells the third man that his wife has just given birth to quadruplets.

The man says, "I don't believe it! I work for the Four Seasons. What a coincidence."

After hearing this, everyone's attention turns to the fourth guy who has just fainted. He slowly regains consciousness and whispers, "I should have never taken that job at Eight Ball Pool."

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Michigan auto insurance fee to drop \$36 a vehicle

Gary Heinlein, Detroit News March 25, 2015

Lansing — Michigan's special assessment on auto insurance policies will drop \$36 per vehicle in the next fiscal year to \$150, the Michigan Catastrophic Claims Association said Wednesday.

The assessment, used to cover the costs of treatment for accident victims who suffer profound injuries, was \$186 per vehicle the last two fiscal years. The new assessment starts July 1 and runs through June 30, 2016.

According to the association, the new assessment includes \$145.10 to cover anticipated new claims, \$4.50 toward an estimated \$292 million shortfall remaining in the fund and 40 cents toward administrative expenses.

MCCA Executive Director Gloria Feiland said motorists are getting a reduction because the fund's stock market investments have been more profitable than expected and because more than \$29 of the current assessment has helped reduce a predicted deficit.

In addition, the share of catastrophic claims auto insurers have to pay goes to \$545,000 on July 1, up from \$530,000 now, reducing the Catastrophic Claims Association's liability, Feiland said.

All auto insurance companies operating in Michigan are required to pay the assessment. It's added to auto insurance premiums paid under Michigan's unique no-fault auto insurance law requiring unlimited lifetime coverage for medical expenses resulting from auto accidents.

Michigan is the only state to require drivers to purchase unlimited personal injury coverage. The state with the next highest mandatory benefit, New York, requires at least \$50,000 of personal injury coverage.

Catastrophic claims assessments are used to reimburse auto insurance companies for personal injury claims costing more than

Bedside Manners

Susie's husband had been slipping in and out of a coma for several months. Things looked grim, but she was by his bedside every single day. One day as he slipped back into consciousness, he motioned for her to come close to him. She pulled the chair close to the bed and leaned her ear close to be able to hear him.

"You know" he whispered, his eyes filling with tears, "you have been with me through all the bad times. When I got fired, you stuck right beside me. When my business went under, there you were. When we lost the house, you were there. When I got shot, you stuck with me. When my health started failing, you were still by my side. "And you know what?"

"What, dear?" she asked gently, smiling to herself. "I think you're bad luck."

Today in Michigan History



This month marks the anniversary of a true Pure Michigan moment. On April 10, 1933, Michigan became the first state to ratify the 21st Amendment, which repealed the prohibition of alcohol.

\$530,000 now --\$545,000 after July 1. Payments to full-time family or agency residential care providers comprise about 58 percent of claims payments, the association says.

Catastrophic Claims Association officials say they paid out \$1 billion — more than \$149 per car — for claims resulting from catastrophic injuries in 2014. Most such claims involved brain and spinal cord injuries, multiple fractures, and back and neck injuries, according to the organization.

The catastrophic claims assessment, which usually has increased annually since it began in 1978, has been the target of criticism from lawmakers who want to end Michigan's unlimited lifetime coverage mandate as part of proposed no-fault auto insurance reforms. But the Legislature has been unable to agree on sweeping no-fault reform proposals in its last two sessions.

An independent actuarial consultant helps set the annual assessment by evaluating expectations for medical costs, economic conditions, investment returns and the number of claims. The association says a projected \$292 million deficit, or more than \$44 per insured car, is factored into the new assessment rate.

Rising Assessment

2009: \$124.89

2010: \$143.09

2011: \$145.00

2012: \$175.00

2013: \$187.00

2014: \$187.00

Source: Michigan Catastrophic Claims Association