



Dora
Department of Regulatory Agencies

Colorado Division of Insurance

For Immediate Release
April 5, 2011

For more information:

Cameron Lewis, Division of Insurance	303-894-2261
Chris Lines, DORA	303-894-7873
Scott Holeman, NAIC	816-783-8909

TO PROTECT POSSESSIONS, AMERICANS NEED TO KNOW THEIR "STUFF"

*New iPhone® application from National Association of Insurance Commissioners
makes it easy to create a home inventory*

DENVER, CO — When choosing [homeowners insurance](#), most consumers think more about the value of the home than about their prized possessions inside. When determining coverage needs, it is important to know all the "stuff" in your home that warrants special protection. Insurable items do not only include luxury items, such as jewelry and art, but also fun purchases that support personal passions.

Whether it is gourmet cooking gadgets, designer handbags or high-end electronics, what Americans invest in personal passions can have a profound impact on insurance needs. In fact, according to a recent survey¹, those passions may add up to a lot more than you think:

- Fashionistas spend more than \$1,400 annually on shoes, apparel and accessories.
- Techies spend approximately \$1,300 a year on computers, video games and televisions.
- Foodies invest an average of \$2,400 annually on high-end appliances and fine dining.

The average claim payment for damage to or loss of home contents in Colorado was \$3,586 in 2010.

One of the best ways to make sure possessions are fully protected is to document them with a [home inventory](#). Now, creating a home inventory is easier than ever, thanks to [myHOME Scr.APP.book](#), a new iPhone® application from the National Association of Insurance Commissioners (NAIC). The free *myHOME Scr.APP.book* app lets users quickly photograph and capture images, descriptions, bar codes and serial numbers, and then stores them electronically for safekeeping. The app organizes information room by room, and even creates a back-up file for e-mail sharing.

"A home inventory assures you know exactly what you own, and what it is worth, before you need to make a claim," says John J. Postolowski, Interim Commissioner for Colorado's Division of Insurance. "Research, however, suggests almost half of all Americans don't have an inventory of their possessions. The NAIC's new iPhone® app makes it easy to document your stuff. Knowing what you own will help you choose the right coverage in the first place."

-more-

Taking Inventory of Your Home's Contents

Documenting possessions with a home inventory is the most important step homeowners and renters can take to make sure they have enough coverage to fully protect and replace their valuables if something happens. The Colorado Division of Insurance and the NAIC offer the following tips to complete a home inventory:

10 Steps to Complete a Home Inventory

1. Make a list of possessions, including "celebration" purchases, such as jewelry and fine art.
2. Think about family heirlooms, collections and furniture. Also, consider items related to everyday leisure time, from flat-screen televisions to custom guitars.
3. Take note of commonplace items, such as toys, CDs and clothing. And, do not forget items you may only use occasionally, such as holiday decorations, sports equipment, tools, and high-ticket items kept outside your home, such as landscape and swing sets.
4. Attach copies of original sales receipts and/or appraisal documents to your inventory. Be sure to note model and serial numbers.
5. Group your possessions into logical categories, i.e., by hobby, by room in your home.
6. Carefully photograph or videotape each item and document a brief description, including age, purchase price and estimated current value.
7. Remember to open drawers and closets to document what is inside.
8. Store your home inventory and related documents in a safe, easily accessible place, such as a secured site/file online, a fire-proof box or in a safe deposit box. You may want to share a copy with your insurance provider to make necessary updates to your coverage.
9. Review and update your inventory annually and anytime you make a significant purchase.
10. To get started, download the free *myHOME Scr.APP.book* app for iPhone® users by visiting the iTunes® App Store or searching "NAIC" in the app store from your phone. Or, go to www.insureuonline.org to print a simple [home inventory checklist](#).

A downloadable version of these 10 steps is also available here:

<http://www.dora.state.co.us/insurance/consumer/homemain.htm>

Choosing Home Insurance That Fits

Keeping a home inventory also helps consumers stay on top of their family's changing insurance needs. Consumers often are surprised by what is not covered under standard home insurance policies:

- On average, home contents are reimbursed only up to 50 percent of the home's insured value, i.e., \$50,000 to replace the contents of a home insured for \$100,000.
- Standard policies impose limits on replacement coverage for certain types of personal property, such as jewelry, furniture, furs, firearms and electronics.

"Exactly how much you'll be reimbursed for lost, stolen or damaged personal property can vary greatly from policy to policy," said Postolowski. "A home inventory helps consumers determine what they need to protect and keep their policies up to date. Knowing what is and isn't protected, and for how much, helps families prepare for the worst. The last thing you want when misfortune strikes is to learn your insurance policy won't replace your losses. And, by choosing coverage to fit their life stages, consumers also may save money."

Consider the following life-stage related insurance facts:

- **Single Parents and Families:** Many homeowners' policies do not cover items, such as laptops and televisions stolen from a college dorm room; if your son or daughter lives off-campus, you will need renter's insurance. Most policies limit coverage for jewelry to \$500, which typically is not enough to replace a favorite pair of diamond earrings or a wedding ring. The standard \$1,000 limit to replace computers may not be enough for a busy household with multiple PCs.
- **Young Singles:** Consider purchasing renter's insurance to cover your possessions, even if living with roommates — do not rely on the landlord's insurance. Items, such as sports equipment or navigation systems, stolen from your vehicle typically are not covered by auto insurance and must be filed against homeowners or renter's insurance.
- **Military:** Most policies do not cover personal property taken with you while deployed to a war zone; if you store belongings left behind, you likely will need additional off-premises coverage.
- **Seniors:** If you start a home-based business after retiring, make sure your office equipment is fully insured.
- **Domestic Partners:** The standard homeowners or renter's policy only covers possessions of the person named on the title or agreement. If your name is not listed, your assets may be at risk.

If you have questions about how and why to complete a home inventory, contact the Colorado Division of Insurance Consumer Affairs staff by calling (303) 894-7490 for consumer information. If you are outside Denver, you may call (800) 930-3745 - toll free.

###

DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission.

ABOUT NAIC

Formed in 1871, the National Association of Insurance Commissioners (NAIC) is a voluntary organization of the chief insurance regulatory officials of the 50 states, the District of Columbia and five U.S. territories. The NAIC has three offices: Executive Office, Washington, D.C.; Central Office, Kansas City, Mo.; and Securities Valuation Office, New York City. The NAIC serves the needs of consumers and the industry, with an overriding objective of supporting state insurance regulators as they protect consumers and maintain the financial stability of the insurance marketplace. For more information, visit www.naic.org.

###

¹ <http://about.americanexpress.com/news/pr/2010/tracker.aspx>