

Travelers PI FAQs

HOME FAQs

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POLICY BASICS

What is homeowners insurance, and why do I need it?

Homeowners insurance is designed to help cover the potentially high cost of damages, loss and injuries (to visitors) that may occur on your property. It is a contract between you and your insurance company in which you pay a certain amount — or “premium” — to the insurance company in exchange for a set of coverages you select.

Most lenders will require you to purchase specific homeowners insurance coverages and limits if you have a mortgage loan. Depending on where you live, you may also be legally required to carry separate policies or endorsements to cover damage caused by floods, earthquakes or windstorms and hail.

Beyond lender and legal requirements, carrying homeowners insurance is a smart decision. If your home and its contents are damaged, your personal belongings are stolen or a visitor gets injured on your property, you may be responsible to cover related expenses such as repairs, replacement, temporary housing, medical bills, lost wages, legal fees and more. The costs can add up quickly. Without the proper coverage, your financial well-being may be at risk.

Working with [an agent](#) to create a homeowners insurance policy that fits your individual needs and budget can protect you and your most valuable assets — your loved ones, your home, your personal belongings and your finances — when the unexpected occurs.

Embed or link to IDM 15: Understanding Home Insurance

What does homeowners insurance cover?

What your homeowners insurance covers will depend on where you live, your insurance company and the coverage options you choose. A comprehensive homeowners policy can cover:

- Damage to your home's physical structure
- Damage to other structures on your property, such as a garage or shed
- Damage to, loss or theft of your personal belongings, whether in your home or elsewhere
- Additional living expenses if temporary housing is needed while repairs associated with a covered loss are being made
- Personal liability if someone is injured or their property is damaged by you or a family member, such as repair, replacement or legal fees
- Extra coverage for [valuable items](#)

If you live in a high-risk area, you may be legally required to carry additional, separate coverage for damage caused by floods, earthquakes or windstorms and hail. If you have a mortgage loan, your lender may also require specific coverages and limits. [Your agent](#) can help you determine which policy options best fit your needs and budget.

What should I consider when purchasing homeowners insurance?

Before you purchase a homeowners policy, it is a good idea to talk to [an agent](#) who can help determine your insurance needs and explain your coverage options. Things to consider and discuss with your agent include:

- What are the basic coverages required by my mortgage lender, in my state or by the federal government?
- Will I be able to afford to pay my deductible and expenses above my policy limits in the event of a loss?
- How much would it cost to replace, rebuild or repair my home with materials of similar quality, without deducting for depreciation (the “replacement cost”)? How much would my home be worth after depreciation (the “actual cash value”)?
- Do I have frequent visitors (e.g. family, friends, laborers) to my home?
- Do I run a business out of my home?

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- Do I have additional structures on my property separate from my main living space (e.g. garage, fences)?
- Do I have valuable personal belongings that might need extra protection?
- Do I qualify for any discounts on my premium?

Once you create a policy, it is important to review your coverage needs with [your insurance agent](#) on an annual basis, or whenever there is a major change in the status of your home or personal belongings (e.g. you build an addition or purchase a valuable item), to ensure your policy remains adequate for your needs and budget.

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Why should I choose Travelers for homeowners insurance?

Choosing a homeowners insurance policy that fits your needs starts with choosing the right insurance company.

Travelers has been an insurance leader, committed to keeping pace with the ever-changing needs of our customers, for over 160 years. As one of the nation's largest casualty companies, we offer a variety of competitive policy options and packages to ensure you get the right coverage at the right price. [Our highly-qualified agents](#) are available to help you create a policy that fits your needs and budget.

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We also understand that having insurance is about more than just protecting your home. It is about making the process after any incident as simple and stress-free as possible. We're here to support our customers and their families when the unexpected occurs — with fast, efficient claim services and insurance specialists available 24 hours a day, 365 days a year.

How do I get a quote for homeowners insurance?

Getting a homeowners insurance quote from Travelers is easy. Just [contact one of our agents](#) or use our [online quoting tool](#) to start creating a policy that offers the protection you need at a price you can afford.

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Does the location of my home affect my policy or premium?

It depends.

Customers who live in a high-risk areas may be legally required to carry additional, separate coverage for damage caused by floods, earthquakes or windstorms and hail — and these policies or endorsements to your insurance may increase your premium. On the other hand, you could get a better premium if you live close to a police or fire department.

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[Your agent](#) can provide more detailed information on how the location of your home may affect your policy and premium.

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I run a business out of my home. How does that affect my policy?

Generally speaking, homeowners insurance is not designed to cover business use of your home. Some policies may include limited protections, such as replacement or repair of computers and other electronic devices used for business in your home. It is best to speak with [an agent](#) to ensure any space or belongings used to conduct business in your home is adequately covered.

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Will my policy automatically renew, or do I have to reapply for coverage?

It depends. Most homeowners policies renew automatically each year. We will notify you about any policy or [premium changes](#) in advance.

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It is important to review your coverage needs with [your insurance agent](#) on an annual basis, or whenever there is a major change in the status of your home or personal belongings (e.g. you make an addition or purchase a valuable item), too. This will help ensure your policy remains adequate for your needs and budget.

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How and when can I change coverage and/or limits on my current policy?

You can update your coverage option and policies limits anytime — online at [MyTravelers.com](#) or by speaking to [your agent](#). Note that making changes to your policy can affect your premium. We will notify you and adjust your payment plan accordingly to reflect these changes once your policy is updated.

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Remember: it is important to review your coverage needs with [your insurance agent](#) on an annual basis, or whenever there is a major change in the status of your home or personal

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belongings (e.g. you make an addition or purchase a valuable item), to ensure your policy remains adequate for your needs and budget.

What is Umbrella insurance, and how does it apply to my homeowners policy?

Umbrella insurance is a separate, personal liability policy that kicks in to cover costs where your homeowners insurance leaves off.

The cost of damages for which you may be personally responsible after a serious incident on your property can quickly add up to exceed the limits on your policy. Umbrella insurance provides extra protection in these cases, and is a valuable addition to any insurance portfolio, particularly if you have many assets to protect. Talk to your agent to see if an umbrella policy is right for you.

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PREMIUM PRICING & DISCOUNTS

What discounts are available, and how can I add them to my policy?

Savings are commonly found in Home Buyer, Loss-Free, Multi-Policy and [other discounts](#) for those who qualify. Additional discounts may be available if you are insuring a home with certain security devices, smart home technology or that is a certified “green” building by the Leadership Energy and Environmental Design (LEED) organization. How and when you pay can affect your premium, too — discounts may be available if you pay in full, by electronic funds transfer (EFT) or by payroll deduction, as well as if you pay on time.

Ask [your agent](#) about these and other incentives to ensure you are getting all discounts for which you are eligible.

What can I do to lower the cost of my homeowners insurance premium?

The cost of insurance partly depends on the coverages, deductibles and policy limits you choose. It is also based on factors beyond your control — such as the likelihood of extreme weather events where you live, the cost of building materials or the value of your home.

Here are a few ways to ensure you are getting the best price for your policy:

- *Talk to [your agent](#).* Make sure you have the right policy for your individual needs, and that you are getting all the discounts for which you are eligible.
- *Secure your home.* Investing in smoke detectors, interior sprinkler systems, home security and some smart home technologies may qualify you for discounts.
- *Go green.* You may be eligible for discounts if you insure a Leadership Energy and Environmental Design (LEED) certified “green” home.
- *Cover small claims out-of-pocket.* Savings are often available to homeowners who have not made a claim for a specific amount of time. Covering smaller losses out-of-pocket instead of filing a claim may save you money on your premium in the long run.
- *Bundle your policies.* Purchasing your homeowners as well as auto, condo, renters, boat or umbrella insurance through Travelers may qualify you for our multi-policy discount.
- *Improve your credit score.* Your credit score can affect your premium price. The best way to improve your credit score is to pay your bills on time. Additional recommendations for improving your credit score are available from the [American Insurance Association](#).

Can I get a discount if I have more than one policy with Travelers?

In most cases, yes. Buying your auto, condo, renters, boat or umbrella insurance together with your homeowners coverage can save you up to XX% on your policy premium. Ask [your agent](#) about our [Multi-Policy Discount](#).

Can I get a discount if I insure more than one property with Travelers?

In most cases, yes. Insuring two or more homes or properties with Travelers can save you up to XX% on your homeowners insurance policy. Ask [your agent](#) for more information about this and [other discounts](#) for which you may be eligible.

I have a security system, fire alarms, sprinklers or other protective devices in my home. Can I get a discount?

In many cases, having smoke detectors, interior sprinkler systems, home security and some smart home technologies installed in your home will qualify you for our Protective Device Discount. Ask [your agent](#) for more information about this and [other discounts](#) for which you may be eligible.

I want to insure a “green” home. Can I get a discount?

In many cases, insuring a Leadership Energy and Environmental Design (LEED) certified dwelling will qualify you for our Green Home Discount. Ask [your agent](#) for more information about this and [other discounts](#) for which you may be eligible.

How is the “cost to rebuild” or value my house estimated, and how does that affect my premium?

You can insure the physical structure of your home in one of two ways — at the replacement cost or actual cash value. The “replacement cost” is the total amount it would take to replace, rebuild or repair your home with materials of similar quality, without deducting for depreciation. The “actual cash value” is how much your home is worth after depreciation.

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Many factors will impact the cost to rebuild your home. Your real estate agent, lender or [insurance agent](#) are great resources to help you make the calculation. An online tool like [HMFacts.com](#) can be helpful, too.

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Once you determine the cost to rebuild, you choose the amount of coverage you want, up to 100%. At a minimum, you should insure your home for 80% of the cost to rebuild. It follows that the higher the cost to rebuild, and the higher percentage of it you insure, the higher your homeowners insurance premium will be.

You can [learn more about the cost to rebuild here](#).

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What is a deductible, and how does it affect my homeowners insurance premium?

A deductible is the amount of money you must pay out of your own pocket before your homeowners insurance kicks in. Deductibles only apply to certain coverages, such as dwelling and personal property coverages, and typically range from \$100 to \$1,000.

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To keep monthly premiums low, homeowners often opt for higher deductibles. To keep monthly premiums low, drivers often opt for higher deductibles. But it is important to choose a deductible you can afford in the event of a loss. [Contact your agent](#) for more information about the deductible options available to you.

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What is a policy limit of liability, and how does it affect my homeowners insurance premium?

A policy limit (or "limit of liability") is the maximum amount your insurance company will pay for any claim covered under your policy. Policy limits are often comprised of two dollar amounts — for example, \$100,000/\$500,000. The first amount (\$100,000) would be the per incident policy limit, while the second amount (\$500,000) is the total limit.

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To keep monthly premiums low, homeowners often opt for lower policy limits. But it is important to choose a liability limit you can afford in the event of a loss. Remember: you will be responsible to pay incident-related expenses above your policy limits. [Contact your agent](#) for more information about your policy limits and options.

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COVERAGE & LIMITS

What is dwelling coverage (coverage A), and do I need it? If so, how much?

Dwelling coverage — also referred to as coverage A — pays to repair or rebuild your home if it is damaged by a covered loss. It provides protection for electrical wiring, plumbing, heating, air conditioning and more.

The minimum amount of dwelling coverage you purchase should be determined by the cost to rebuild your home. You can choose to insure for the “replacement cost” (the total amount it would take to replace, rebuild or repair your home with materials of similar quality, without deducting for depreciation) or “actual cash value” (how much your home is worth after depreciation). If you have a mortgage loan, your lender may require specific dwelling coverage options and limits.

Discuss your dwelling coverage needs, policy limits and deductibles with [your agent](#) before purchasing homeowners insurance. Remember: you will be responsible to cover your deductible, as well any related costs above your policy limits.

You can [learn more about the cost to rebuild here](#).

Embed or link to IDM 11: Dwelling Coverage

What is other structures coverage, and do I need it? If so, how much?

Other structures coverage pays for damages to structures on your property that are not attached to your home, such as garages, sheds, fences and cottages.

If you have these or similar structures to protect, you should discuss your coverage needs with [your agent](#). Consider what it would cost to repair or rebuild these structures when choosing your deductibles and policy limits. If you have a mortgage loan, your lender may require specific coverage options and limits, too.

What is personal property coverage, and how much do I need?

Personal property coverage pays to replace or repair personal items in your home that may be damaged by a covered loss, such as furniture, clothing and electronic appliances — and is required on all homeowners policies. Limited protection for other assets like cash, collectibles, jewelry, furs and silverware may be available through basic personal property coverage, however these should be insured for their full value by a [valuable items endorsement](#) or separate policy.

Most losses are settled based on their actual cash value, unless it costs less to repair than replace the item. Discuss your personal property coverage needs with [your agent](#). Consider what it would cost to repair or replace your personal belongings and valuable items when choosing your deductibles and policy limits. Remember: you will be responsible to cover your deductible, as well any related costs above this limit.

You can [learn more about Personal Property insurance here](#).

Embed or link to IDM 12: Personal Property Coverage

What is loss of use coverage, how much do I need?

Loss of use coverage pays temporary housing and living expenses if you and your family have to move out of your home while it's being restored — and is required on all homeowners policies.

Discuss your loss of use coverage needs with [your agent](#). Consider what the cost of temporary housing for you and all members of your household will be when choosing your deductibles and policy limits. Remember: you will be responsible to cover your deductible, as well any related costs above this limit.

Embed or link to IDM 14: Loss of Use Coverage

What is liability insurance, and do I need it? If so, how much?

Liability insurance helps protect your assets and financial well-being if you or a household family member is found legally responsible for causing injury to other people or their property. In most cases, it includes coverage for bodily injury, property damage, medical payments and legal expenses.

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Carrying liability insurance is a smart financial decision. Consider your risk tolerance and financial circumstances when choosing the level of protection that's right for you and your family – then discuss your liability coverage needs, options, deductible and policy limits with [your agent](#).

You can [learn more about liability insurance here](#).

[Embed or link to IDM 15: Liability Coverage](#)

Does my policy cover the items in my home, or just the structure?

In most cases, both — through a combination of required coverages.

Dwelling coverage provides protection for damage to the physical structure of your home. Personal property insurance covers many of the items in your home — such as electronics, sporting goods, furniture and clothing — from damage, loss or theft. Both coverages are required on all homeowners policies.

What is a limit of liability, and how do I choose one?

What are deductibles and policy limits of liability, and how should I choose them?

A deductible is the amount of money you must pay out of your own pocket before your homeowners insurance kicks in. Deductibles only apply to certain coverages, such as dwelling and personal property, and typically range from \$100 to \$1,000.

A policy limit (or “limit of liability”) is the maximum amount your insurance company will pay for any claim covered under your policy. Policy limits are often comprised of two dollar amounts — for example, \$100,000/\$500,000. The first amount (\$100,000) would be the per incident policy limit, while the second amount (\$500,000) is the total limit.

Here's one example of how deductibles and policy limits work. Let's say the roof of your home is damaged by [a lightning strike](#), you have a policy limit of up to \$10,000 and your deductible is \$1,000. If the cost to repair your roof is \$500, you will pay the entire \$500 since it is less than your deductible. If the cost to repair your roof is \$8,000, you will pay your deductible of \$1,000 and your insurer will pay the remaining \$7,000. If the cost to repair your roof is \$12,000, you will pay \$3,000 (your deductible, plus the \$2,000 above your policy limit) and your insurer will pay \$9,000.

To keep monthly premiums low, homeowners often opt for higher deductibles and lower policy limits. But if you can't pay your deductible or incident-related expenses above and beyond your policy limits, you may find yourself in financial crisis. Choose wisely. Consider your risk tolerance and financial circumstances when deciding the level of protection that's right for you and your family — then work with [your agent](#) to create a policy that balances your individual needs with a premium, deductible and policy limit you can afford.

Do I need special coverage if I add new features or an addition to my home (e.g. garage, pool, new room)?

It depends.

It is important to review your coverage needs with [your insurance agent](#) on an annual basis, or whenever there is a major change in the status of your home or personal belongings (e.g. you make an addition or purchase a valuable item), to ensure your policy remains adequate for your needs and budget.

Am I covered if someone gets injured on my property?

It depends.

If you have liability Insurance, you will have some coverage for bodily injury, property damage, medical payments and legal expenses if you or a family member is found legally responsible for an injury to a visitor on your property. A “visitor” is defined as a friend, neighbor, delivery person and anyone you invite to your home. Liability Insurance does not cover personal injury claims for the homeowner or family members living in the insured house.

Does my homeowners policy cover damage or loss from theft?

In most cases, yes. Damage or theft of personal belongings — such as electronics, sporting equipment, furniture — is considered a covered loss under personal property coverage, which

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is required on all homeowners policies. These items are often covered if they are damaged or stolen away from home as well, such as at a hotel or in your car.

Limited protection for possessions like cash, collectibles, jewelry, furs and silverware may be available through basic personal property coverage, however these items should be insured for their full value by a valuable items endorsement or separate policy.

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General References

<https://www.travelers.com/personal-insurance/home-insurance/index.aspx>

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