MISSOURI

EARTHQUAKE INSURANCE SHOPPING GUIDE

DCI

Missouri Department of Commerce & Insurance

WHY CONSIDER EARTHQUAKE INSURANCE

1. Earthquakes can cause a great deal of damage that won't be covered under your homeowners, renters or condominium insurance policy. These policies don't cover damage due to natural disasters such as earthquake, flood and landslide.

2. Your home is insured for earthquake damage ONLY if you've added an endorsement to your policy or bought a separate earthquake policy. A homeowners policy and earthquake coverage don't overlap, but work together to give your home more insurance protection.

3. Think about how you would manage the costs to recover from an earthquake. Without insurance, how would you pay to repair or rebuild your home?

4. How would you pay the costs to live somewhere else while your home is being repaired or rebuilt?

5. How much would you owe a lender, who will expect you to repay the mortgage or home equity loan even if your home is destroyed?

6. How much would you lose if your home were damaged or destroyed by an earthquake and you couldn't afford to repair it?

7. How likely is it that your home will be damaged in a quake? Brick homes, wood frame homes with crawl spaces, and multi-story homes are more likely to be damaged in an earthquake.

WHAT ISN'T COVERED (EXCLUSIONS)

What your earthquake insurance doesn't cover (the exclusions) varies by insurance company. Review your earthquake coverage and declarations page to learn what the exclusions are.

Some of the most common exclusions in earthquake insurance are:

- **Fire.** Earthquake insurance usually won't cover anything your homeowners insurance policy already covers. It won't, for instance, cover fire damage to your home—even if the fire started because an earthquake ruptured a gas line. Your homeowners policy would cover losses from a fire.
- **Land.** Typically, earthquake insurance doesn't cover damage to your land, such as sinkholes from erosion or other hidden openings under your land. Earthquake insurance wouldn't pay to fill in large cracks or holes that appear in the middle of your yard after an earthquake. If your insurance includes Engineering Costs coverage, it will pay at least part of the cost to stabilize the land that supports your home.
- **Vehicles.** Earthquake insurance doesn't cover damage to your vehicles, even if an earthquake damaged cars in your garage. Your automobile insurance policy may cover that damage.
- **Pre-Existing Damage.** Earthquake insurance won't cover damage to your home that was there before the earthquake.
- **External Water Damage.** Earthquake insurance doesn't cover water damage from external sources—such as from sewer or drain backup or flood. For example, if you live near a lake that floods your home after an earthquake, earthquake insurance won't pay to repair the damage. A flood insurance policy will cover your property for that damage.
- **Masonry (Brick) Veneer.** Some earthquake insurance doesn't cover masonry veneer—the brick, rock or stone that covers your home's outside instead of stucco or siding. If masonry veneer isn't covered, the insurer usually deducts its value from the total cost of your loss before applying the deductible. That means the cost to repair a home damaged in an earthquake would be based on using siding materials that cost less than masonry veneer. If you have any masonry veneer on your home, ask your insurance agent if it would be covered.

WHAT EARTHQUAKE INSURANCE COVERS

Earthquake insurance covers repairs needed because of earthquake damage to your dwelling and may cover other structures not attached to your house, like a garage. It insures your personal property against damage from an earthquake. It may cover increased costs to meet current building codes and costs to stabilize the land under your home. Earthquake insurance covers the cost to remove debris. It also pays for extra living expenses you may have while your home is being rebuilt or repaired.

While insurance for earthquake damage isn't part of your homeowners insurance, you may be able to add it by buying an endorsement (a written change to your coverage) and paying an extra premium. Or, you may buy a separate earthquake insurance policy. Either way, it's likely there will be important differences between your earthquake insurance and your homeowners insurance policy. Ask your insurance agent to explain those differences.

HOW MUCH COVERAGE DO I NEED?

How much coverage is right for you will depend on your situation. Insurance policies have "limits of coverage" that tell you the largest dollar amount covered for different types of losses. A policy may even have sub-limits. For example, a policy could have a $50,000 limit for personal property and a $5,000 sublimit for computers. That sublimit would mean that the insurer would pay no more than $5,000 to repair or replace your computers.

Insuring your home for its appraisal or loan value likely means you'll only have enough coverage to repay your lender. It may not be enough to repair or rebuild your home, especially if it's a total loss. Usually the dwelling coverage limit will be the same on your homeowners insurance policy and your earthquake insurance. If you don't have enough homeowners insurance coverage, you probably won't have enough earthquake insurance either. You should review your dwelling coverage from time to time to be sure it doesn't drop below the cost to replace your home. If it drops below 80% of the full replacement cost of your home, your insurance company may reduce the amount that it will pay on a claim.

THE FOLLOWING ARE QUESTIONS THAT MAY HELP YOU DECIDE HOW MUCH COVERAGE YOU NEED:

For dwelling coverage to repair or rebuild your house:

- How much would it cost to repair or rebuild your home? How much of that cost could you personally pay?

For contents coverage:

- How much would it cost to replace your household items (such as furniture, appliances, electronics and clothing)? Could you afford it? Ask what you need to do to be sure the insurance will cover all of your personal property, especially valuable or breakable items such as artwork or porcelain.

For additional living expense coverage:

- How much would it cost to find a temporary place to live because you couldn't live in your home after an earthquake? You could be out of your house for many months if there's major damage to your home. This coverage pays the extra costs you have to pay because you aren't able to live in your home. For example, it would pay rent for temporary housing while you continue to pay your home mortgage. This coverage does not pay your regular costs of living—for example, your groceries or your car payment.

UNDERSTANDING EARTHQUAKE DEDUCTIBLES

A deductible is the amount you (the homeowner) are responsible for on each claim. The insurer is responsible for the amount greater than the deductible, up to the coverage limit.

The deductible for earthquake insurance usually is 10%–20% of the coverage limit. Depending on the policy, there may be separate deductibles for the dwelling, outside structures (such as outbuildings, detached garages and yard fences), and personal contents. This is different from a homeowners policy where there usually is only one flat amount deductible, like $500 or $1,000. You may not be responsible for a deductible for additional living expenses coverage.

As coverage and terms of insurance can vary from company to company, ask your agent how the deductibles will be calculated under your policy.

Assume that an earthquake totally destroys your home and you have earthquake insurance that covers all the damage. The following table explains how one type of earthquake deductible may work.

One Example of an Earthquake Deductible

Some policies may pay up to the total of one or more of the coverage limits if the damage is more than the coverage limits. The following table gives an example of how the deductible may work in that type of arrangement. Always check with your agent for an explanation of how the deductible may work for your earthquake coverage.

	Dwelling	Outside Structures	Personal Contents	Total Amount
Coverage Limits	$100,000	$10,000	$50,000	$160,000
Deductible	20%	20%	20%	
Your Property Damage	$110,000	$8,500	$62,000	180,500
Deductible Amount (Your Responsibility)	[$20,000] ($100,000 x 20%)	[$2,000] ($10,000 x 20%)	[$10,000] ($50,000 x 20%)	$32,000
Total Amount Insurer May Pay *The greater of:* *(covered loss - deductible) or policy limits*	$90,000	$6,500	$50,000	$146,500

In the table, the deductible is 20% for each type of coverage. You would be responsible for the deductible for the dwelling, or $20,000 in this case. You also would be responsible for the $2,000 deductible on outside structures and the $10,000 deductible on personal property.

The earthquake damage to the dwelling and personal property is more than the coverage limit for both of these types of property. For example, there is $110,000 in damages to the dwelling versus a $100,000 coverage limit. But the damage to outside structures is less ($8,500) than the $10,000 coverage limit.

Total reimbursement to you would be based on the difference between your property damage and the deductible, up to the coverage limit. In this example, the insurer would pay $90,000 ($110,000 – $20,000) for the dwelling and $6,500 ($8,500 – $2,000) for outside structures. In each of these, the net loss was less than the coverage limit.

The insurer's payment for personal property would be calculated the same way—property damage ($62,000) minus deductible ($10,000). Your net loss would be $52,000. But your policy limit is $50,000 for personal contents, so the total amount you would be paid for your personal property loss would be capped at the coverage limit, or $50,000.

In this example, your total loss is $180,500. You would be responsible for $32,000 in deductibles plus $2,000 in unreimbursed or non-covered damage to your personal property. The insurer's total payment for this claim would be $146,500.

SHOPPING FOR EARTHQUAKE INSURANCE

If you already have homeowners insurance, you can begin your search for earthquake insurance by contacting your current agent or company. You may be able to buy earthquake insurance as an endorsement (a written change to your coverage) to an existing homeowners policy. If earthquake coverage isn't available as an endorsement to your homeowners policy, your insurer may connect you with another company to buy a stand-alone policy.

EARTHQUAKE INSURANCE COVERAGE

INSURERS NOT OFFERING EARTHQUAKE INSURANCE ANYWHERE IN MISSOURI

Allsate Insurance Co
Allstate Indemnity Co
Allstate P&C Ins Co
Allstate Vehicle & Property Insurance Co
American Bankers Insurance Co of FL
American Security Insurance Company
Cameron Mutual Insurance Co
Century National Insurance Co
Encompass Indemnity Company
Esurance Insurance Co
Farm Bureau Town & Country Ins Co Of Mo
General Security National Insurance Company
Lemonade Insurance Company
MutualAid Exchange
New Horizons Insurance Company Of Missouri
Old Reliable Casualty Co
Progressive Casualty Insurance Co
QBE Insurance Corporation
Root Insurance Company
Spinnaker Insurance Company
Standard Guaranty Insurance Company
United Home Insurance Company
Unitrin Direct Property & Casualty
Unitrin Safeguard Insurance Company

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EARTHQUAKE INSURANCE COVERAGE

INSURERS OFFERING RENEWAL-ONLY EARTHQUAKE INSURANCE IN MISSOURI

Aegis Security Insurance Company
AMCO Insurance Company
American Family Mutual Insurance Company S.I.
American National General Insurance Company
American National Property And Casualty Company
Bankers Standard Insurance Company
Fire Insurance Exchange
Hartford Accident & Indemnity Co
Hartford Casualty Insurance Co
Hartford Underwriters Insurance Company
Homesite Indemnity Company
Liberty Mutual Fire Insurance Corporation
Mid-Century Ins Co
Nationwide Affinity Insurance Company of America
Nationwide Insurance Company of America
Property & Casualty Insurance Co of Hartford
Sentinel Insurance Company Ltd
State Auto Property & Casualty Insurance Company
The Automobile Insurance Company of Hartford, CT
The Standard Fire Insurance Company
The Travelers Home and Marine Insurance Company
Travelers Indemnity Company of America
Travelers Personal Insurance Company
Travelers Property Casualty Insurance Company

INSURERS OFFERING EARTHQUAKE INSURANCE IN MISSOURI

Legend: New earthquake polices available for the following:

Construction types: X No coverage ● Frame dwellings ● Masonry veneer ● Solid masonry ● Renewals only

Note: Even though a company issues new coverage for a specific construction type, that company may still have significant underwriting restrictions applicable to a given risk. For example, a company might refuse to issue coverage for multi-story masonry homes, older homes, homes with unusual architectural features, homes built on a hillside or cliff, etc. Please check with the company or agent for details about your particular situation.

	Southeast Mo	St. Louis	Kansas City	Springfield	Columbia
Acuity, A Mutual Insurace Company	●●●○	●●●○	●●●○	●●●○	●●●○
AIG Property Casualty Company	●●●○	●●●○	●●●○	●●●○	●●●○
American Economy	X	●●○○	●●○○	●●○○	●●○○
American Family Connect Property & Casualty Ins Co	●●●○	●●●○	●●●○	●●●○	●●●○
American Family Insurance Company	●●○○	●●○○	●●○○	●●○○	●●○○
American Modern Property and Casualty Insurance Co	●●●○	●●●○	●●●○	●●●○	●●●○
American Strategic Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
Amguard Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
Amica Mutual Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
Armed Forces Insurance Exchange	●●●○	●●●○	●●●○	●●●○	●●●○
Auto Club Family Insurance Company	X	●●●○	●●●○	●●●○	●●●○
Auto-Owners Insurance Company	○○○●	●●●○	●●●○	●●●○	●●●○
California Casualty General Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
Chubb National Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
COUNTRY Mutual Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
Crestbrook Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
Economy Preferred Insurance Company	●●○○	●●○○	●●○○	●●○○	●●○○
Economy Premier Ins Co	●●○○	●●○○	●●○○	●●○○	●●○○
Electric Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
Farmers Group Property and Casualty Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
Farmers Insurance Exchange	●●○○	●●○○	●●○○	●●○○	●●○○
Farmers Property and Casualty Insurance Company	●●○○	●●○○	●●○○	●●○○	●●○○

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Up to Date as of: 3/23/2022

EARTHQUAKE INSURANCE COVERAGE

INSURERS OFFERING EARTHQUAKE INSURANCE IN MISSOURI CONTINUED

Legend: New earthquake polices available for the following:

Construction types: X No coverage ● Frame dwellings ● Masonry veneer ● Solid masonry ● Renewals only

	Southeast Mo	St. Louis	Kansas City	Springfield	Columbia
Federal Insurance Company	●●○○	●●●○	●●●○	●●●○	●●●○
Foremost Insurance Company Grand Rapids, Michigan	●●●○	●●●○	●●●○	●●●○	●●●○
Garrison Property and Casualty Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
Great Northern Insurance Company	●●○○	●●●○	●●●○	●●●○	●●●○
Grinnell Mutual Reinsurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
Hartford Fire Insurance Company	X	●●○○	●●○○	●●○○	●●○○
Hartford Insurance Company of Midwest	X	●●○○	●●○○	●●○○	●●○○
Homesite Insurance Company of the Midwest	●●●○	●●●○	●●●○	●●●○	●●●○
Horace Mann Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
Liberty Insurance Corporation	X	●●○○	●●○○	●●○○	●●○○
Liberty Mutual Insurance Corporation	X	●●○○	●●○○	●●○○	●●○○
Liberty Mutual Personal Insurance Company	X	●●○○	●●○○	●●○○	●●○○
Lititz Mutual Insurance Company	●○○○	●○○○	●○○○	●○○○	●○○○
Madison Mutual Insurance Company	X	●●●○	●●●○	●●●○	●●●○
Markel American Insurance Co	X	●●●○	●●●○	●●●○	●●●○
Midwest Family Mutual Insurance	●●●○	●●●○	●●●○	●●●○	●●●○
Nationwide Mutual Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
Pacific Indemnity Company	●●○○	●●●○	●●●○	●●●○	●●●○
Palomar Specialty Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
Pharmacists Mutual Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
Privilege Underwriters Reciprocal Exchange	●●●○	●●●○	●●●○	●●●○	●●●○
Safeco Insurance Company of America	X	●●○○	●●○○	●●○○	●●○○
SECURA Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
SECURA Supreme Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
Shelter Mutual Insurance Company	●●○○	●●●○	●●●○	●●●○	●●●○
State Auto Mutual Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
State Farm Fire and Casualty Company	●●○○	●●○○	●●●○	●●●○	●●●○
Stillwater Insurance Company	○○○●	○○○●	●●●○	●●●○	●●●○
Teachers Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
The Cincinnati Casualty Company	●●●○	●●●○	●●●○	●●●○	●●●○
The Cincinnati Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
Trumbull Insurance Company	X	●●○○	●●○○	●●○○	●●○○
Twin City Fire Insurance Company	X	●●○○	●●○○	●●○○	●●○○
United Services Automobile Association	●●●○	●●●○	●●●○	●●●○	●●●○
USAA Casualty Insurance Company	●●●○	●●●○	●●●○	●●●○	●●●○
USAA General Indemnity Company	●●●○	●●●○	●●●○	●●●○	●●●○
Vigilant Insurance Company	●●○○	●●●○	●●●○	●●●○	●●●○

INSURANCE

CONSUMER HOTLINE

800-726-7390

For questions about your insurance policy or to file a complaint against an insurance company or agent:

insurance.mo.gov
800-726-7390

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