

# Insurance Policy Comparison

## Homeowners, Automobile, Flood and Windstorm



For more information visit [insurancecouncil.org](http://insurancecouncil.org)

### Homeowners Insurance

#### *What does this policy cover?*

Homeowners insurance pays for losses to covered structures and personal property caused by those perils detailed in the policy, up to the specific coverage amounts detailed on the declarations page. Most policies cover losses caused by fire, smoke, vandalism, theft and more. For most Texas policyholders, their policy also covers damage for wind, hail and hurricanes, except for most of those living on the Gulf Coast (see *Windstorm Insurance*). Some policies insure homes at the actual cash value, which is the replacement cost less depreciation. Check your policy or ask your agent for more info.

#### *What perils are excluded?*

Most policies do NOT cover damages caused by flood and some other types of water damage. Other probable exclusions are damages caused by earthquake, intentional acts, or normal wear and tear. Read your policy documents for a full list.

### Automobile Insurance

#### *What does this policy cover?*

In Texas, drivers are required to carry **liability coverage**, which pays for damages to another vehicle and bodily injury damages to occupants when the insured is at-fault. Current minimum limits of liability in Texas are "30/60/25", which means \$30,000 of bodily injury coverage per person, \$60,000 per accident, and \$25,000 in property damage. Higher limits are available.

Most lenders require physical damage for the vehicle which includes: **Collision coverage** covers the cost to repair the insured's vehicle if the insured is at-fault. **Comprehensive coverage** is for perils such as hail, theft, and flood.

Both collision and comprehensive have deductibles the insured will pay. Other coverages, such as personal injury protection, uninsured or underinsured motorist, or medical payments are also available.

### Windstorm Insurance

#### *What does this policy cover?*

Property owners in the 14 coastal counties of Texas, along with the Galveston Bay portion of Harris County, may have homeowners insurance policies that EXCLUDE damage caused by wind, hurricanes and hail.

If so, a separate policy for wind and hail coverage can be obtained through TWIA, the insurer of last resort for risks unable to obtain such coverage in the voluntary market.

#### *What perils are excluded?*

Coverage for flood damage is excluded from most TWIA and homeowners policies.

More information on windstorm coverage is available at [twia.org](http://twia.org) or [tdi.texas.gov](http://tdi.texas.gov)

### Flood Insurance

#### *What does this policy cover?*

Flood insurance, usually underwritten by FEMA through the National Flood Insurance Program (NFIP), pays for damages to covered homes or personal property directly damaged by flood.

#### *How do I know if I need flood insurance?*

You do NOT have to be in a flood plain to purchase flood insurance, floods can happen in areas that have never experienced flooding before.

#### *How do I buy flood insurance?*

Typically there is a 30 day waiting period for new policies, so plan ahead. Ask your agent for a quote, or visit [floodsmart.gov](http://floodsmart.gov) for more information.

*Check with your insurance agent if you have additional questions about coverages and policy types.*