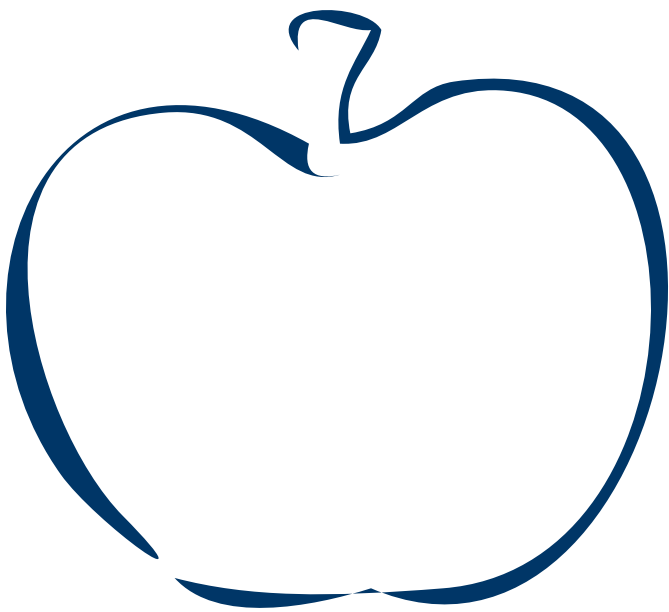
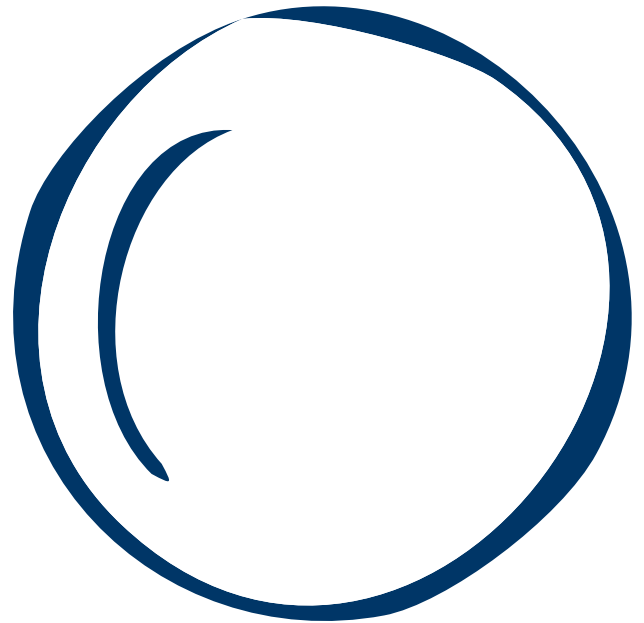


ARE YOU COMPARING APPLES TO ORANGES?



VS



If you're shopping for produce to make apple pie, you can compare freshness and quality of the McIntosh to the Granny Smiths and Galas.

If you're shopping for homemade orange juice you focus on the juicing oranges.

Ratatouille? You skip the apples and oranges, the fruit area completely, and focus solely on the eggplant and zucchini choices.

When you're shopping for insurance, it's the same thing. Unfortunately, comparing liability levels or coverage exclusions isn't quite as easy as determining the difference between a McIntosh and a Jonagold. Here are a few tips that can help you better understand your own needs and ensure you get the right insurance from your advisor or provider of choice.



Homeowners: You need to cover your home and furnishings. You do/do not live in an area known for flooding or other natural disaster. You own extra-special — valuable — items that might warrant additional protection, such as fine art or jewelry. If you are new to the area, check with neighbors, police officers and other local sources about the area's history of wild fire, flooding, wind storms, burglary and other potential dangers to your home and property. Is this a primary residence, secondary or investment property? Write down the home's purchase price and date, square footage and details about heating/cooling systems, landscape irrigation systems, fireplaces, swimming pool, etc.

Your goal is to ensure you're properly covered. Keep in mind that property and even content values change over time so be sure you're working off a current value assessment. We commonly discover in new client coverage audits, that people are underinsured because the property they covered eight years ago is now worth an additional \$50,000. Also, keep in mind that homeowners are liable for accidents on their property. Most basic homeowner policies include some liability coverage, but you may want more. If you have a dog or swimming pool, additional liability coverage might be in order.



Auto: Make note of all the vehicles you own and who will be driving them. Write down details about vehicle age, purchase year, make and model, miles driven per year, how the vehicles are used and the ages and records of the drivers. Think about where your vehicles are driven: Do you mostly stick around town or drive highways? Are you on gravel roads where windshield chips are common? Also, consider the value of vehicles. There's no need to go overboard. You may decide against comprehensive coverage for the '92 pick up you only use for camping on the weekends.

Auto coverage is where online discount insurance can really come back to hurt you. When people purchase auto insurance, they think about covering their cars as well as liability for another vehicle damaged in an accident. Yet, the greatest exposure in an accident is personal liability. Most states set minimum liability levels for auto insurance, but those are often not enough to cover serious medical bills, lawsuits or other claims. Therefore, it is vital to base liability levels on your net worth, not according to state minimums. It will cost you a bit more now, but it can help prevent financial devastation later.



“*Good firms have trained, professional advisors skilled at accurately assessing client needs...*”



Anita Koch

Other: Finally, consider additional needs you may have. Do you own recreational vehicles such as ATVs or watercraft? Do you have a child going off to college to live in the dorms? Could disability cause you to lose your income? Do you need financial planning/term life assistance? Do you get adequate health care coverage from your employer?

When you're looking at your insurance needs, be sure to write down as many of your possessions and liabilities as possible. You may ultimately decide to forego certain coverages for budgetary reasons, but your decisions will be purposeful. And you won't at some time in the future discover "by accident" that you're underinsured.

So, you have a good idea of what you'd like to cover. Next, you need to determine where you go. You can purchase insurance online. In fact, you can get a quote on the Payne Financial Group site with just a few clicks. But given the complexities and variables, you may want to research carriers and options before purchasing policies online or otherwise.

A.M. Best company is a good starting point. A.M. Best tracks the insurance industry, including evaluating and comparing insurance companies' relative financial strength based on multiple criteria. A.M. Best can be found on the Web at www.ambest.com. Cruising the Internet for national publications' articles on insurance products, trends and companies can also be helpful. Talk to trusted friends and business associates about their experiences with insurance companies.

Perhaps the best option of all, however, is to call an independent firm like Payne Financial Group. Independent firms offer a range of carrier options. Good firms have trained, professional advisors skilled at accurately assessing client needs and budgets to get the right balance of coverage. Independent advisor firms also assist clients in the event of a claim and help ensure fair resolution with the insurance company.

Should you decide to go with an advisor, be picky. Start by asking friends and business associates for recommendations. Check the Independent Insurance Agents & Brokers Association (www.iiaba.net) for background. Then, before buying, interview your potential advisor. Does he or she keep current with regular continuing education courses and training? How will he or she service the account? What kind of support network does the advisor have? Choose the right advisor, and you'll have someone you trust to guide you as your needs grow and change.

Insurance is complex. Getting it right can make a big difference to your peace of mind and in the protection of your assets. Taking the time to do your homework and connect with trusted resources can help you determine not just apples from oranges, but a good apple from a bad one.

Anita Koch is located in the Payne Financial Group Spokane, Washington, office and serves as the head of our personal lines insurance division. If you have a question or comment about this article, you can e-mail Anita at akoch@pfgworld.com.