

The Louisiana Department of Insurance (LDI) is dedicated to protecting policyholders while fostering a competitive insurance market. Homeowners insurance is structured as a package policy that encompasses both property and liability claims, offering six primary types: Basic Form, Broad Form, Special Form, Tenants Broad Form, Comprehensive Form, and Special Condominium Form. Each type provides varying levels of protection, with notable exclusions for floods and certain perils such as earthquakes. The Basic Form covers specific risks like fire and theft, while the Broad Form adds protections for building collapse and water damage. The Special Form offers "all risks" coverage, excluding specified perils, and the Tenants Broad Form is limited to personal property. The Comprehensive Form covers a wide array of risks, typically at a higher premium.

Homeowners policies generally exclude coverage for animals, vehicles, and business property away from the premises, as well as losses due to floods, earth movement, and war. A named-storm or hurricane deductible may apply, requiring policyholders to pay a percentage of the insured value during such events. Since homeowners policies do not cover flood damage, obtaining flood insurance through the National Flood Insurance Program (NFIP) is crucial, with coverage limits of \$250,000 for homes and \$100,000 for contents. The Louisiana Citizens Property Insurance Corporation acts as a last resort for high-risk property insurance.

For homeowners renting out their properties, standard homeowners insurance may not cover damages related to rental activities, necessitating additional coverage. Valuable items such as jewelry and art may require extra insurance due to policy limits, and renters insurance is essential for protecting personal belongings and liability. If operating a business from home, separate business insurance is recommended.

After purchasing a policy, homeowners should maintain an inventory of their possessions and secure their policy documents. In the event of a claim, it is important to document conversations with the insurance company, make temporary repairs to prevent further damage, and be present during

the adjuster's inspection. Understanding the distinction between Actual Cash Value and Replacement Coverage is critical for evaluating claim settlements. Policyholders should review cancellation provisions, as insurers must provide written reasons for cancellations or non-renewals, especially if related to natural disasters.

When shopping for homeowners insurance, consumers should prioritize financial stability and adequate coverage over cost alone, consider deductibles, and ensure their home is insured for its full replacement value. The policy stipulates that the claim amount will equal the cost of rebuilding the home, minus the deductible. If the home is insured for less than 80% of its value, the policyholder may be deemed a co-insurer, responsible for up to 20% of repair costs in the event of a loss. It is advisable to inquire about potential discounts, such as those for anti-theft devices or FORTIFIED roofs, and to compare various homeowners policies for the best option. Underwriting criteria may vary by company, taking into account factors like the home's condition, presence of a pool, and types of pets.

To mitigate loss and maintain lower rates, it is recommended to install smoke alarms, heat detectors, and carbon monoxide detectors near sleeping areas, keep the home free of combustible materials, check for faulty wiring, practice fire drills, and ensure adequate locks on doors and windows. When away from home, it is prudent to suspend mail and newspaper deliveries or have someone collect them daily.

If a policyholder believes an insurance company has improperly refused to issue or renew a policy or denied part of a claim, they should first contact their insurer with their name, address, policy number, and details of the complaint. If the response is unsatisfactory, they can reach out to the Louisiana Department of Insurance at 1-800-259-5300 or visit their website for further assistance.

Additionally, a worksheet is provided to help gather necessary information for obtaining accurate

premium quotations, including the replacement cost of the house and household contents, square footage, desired policy form, and deductible. A checklist of potential discounts is also included, covering mandatory discounts for homes meeting eligibility standards, as well as other discounts for safety features and building conditions. Lastly, a comparison guide is available to record quotes from different insurance companies, facilitating informed decision-making.