

Homeowners and tenants in New York should be informed about their insurance options, as unexpected losses can occur at any time. The competitive insurance market offers a variety of policies, including monoline and package options, with homeowners policies ranging from basic (HO-1) to comprehensive (HO-5) coverage for perils such as fire, theft, and water damage. Tenants and cooperative policies (HO-4) cover personal property and liability, while condominium policies (HO-6) address alterations and improvements within the unit. It is essential for consumers to evaluate their needs, seek references, and compare coverage and costs from multiple agents or brokers. Regularly reviewing existing policies is crucial to ensure adequate coverage, particularly in light of inflation and home improvements. The Department of Financial Services provides resources for filing complaints regarding unresolved disputes with insurance companies.

Determining the appropriate amount of insurance involves assessing the value of the home and personal property, with homeowners advised to ensure coverage is at least 80% of the replacement cost to avoid penalties on partial losses. Contents coverage is typically based on actual cash value unless a replacement cost endorsement is purchased. Factors influencing insurance costs include the building's location, age, type, and proximity to fire protection services, as well as chosen deductibles and available discounts. Basic coverage limits are expressed as percentages of the dwelling's insured amount, with specific limits for certain property types, such as \$1,500 for jewelry theft and \$2,500 for firearms. Liability coverage protects against bodily injury or property damage due to negligence, with typical limits of \$25,000 per occurrence and \$1,000 for medical payments.

The policy outlines various deductibles, including standard, windstorm, and hurricane deductibles, and specifies that flood and earthquake damages are not covered under standard policies but can be obtained through separate policies. Additional endorsements may be available for sewer backups, and personal excess and umbrella policies can be purchased for higher liability coverage. Homeowners are also advised to maintain a household inventory, install smoke alarms, and secure their property against theft. After a loss, prompt notification to the insurance company is essential,

and costs for temporary fixes are typically covered by the policy. If disputes arise regarding damage amounts, homeowners can negotiate with their insurer or seek a second opinion, with public adjusters available to assist in negotiations.

Cancellations can occur within the first 60 days for specific reasons, while after this period, policies cannot be canceled for three years except for nonpayment of premium or fraud. Non-renewal requires a 45 to 60-day notice from the insurer, and homeowners are encouraged to avoid filing multiple small claims to prevent being designated as higher risk. If a policy is non-renewed, homeowners can seek clarification from their insurer or file a complaint with the Department of Financial Services if they believe the reason is unjust. The document emphasizes that non-renewal may not be due to the policyholder's actions, as insurers may choose to write fewer policies based on broader market conditions. However, significant risk-increasing activities by the policyholder, such as committing fraud, could lead to non-renewal.

For those unable to obtain standard insurance, the New York Property Insurance Underwriting Association (NYPIUA) offers basic and broad coverage options, while the National Flood Insurance Program (NFIP) provides flood insurance, typically not included in standard homeowners or renters policies. The NFIP allows residents in participating communities to purchase flood insurance, with coverage limits generally up to \$250,000 for structures and \$100,000 for contents. The document stresses the importance of understanding policy details, including deductibles and exclusions, and ensuring that any insurance purchased is from a licensed provider. Overall, consumers are encouraged to be proactive in managing their insurance needs and to seek professional advice when necessary.