



Consumer Alert

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Combining Your Insurance Coverages

Just got engaged? If so, there's plenty of work ahead to plan your life together. Getting married can affect all of your coverages so don't forget to talk about the insurance implications of combining your households. The following tips may be helpful for soon-to-be-wed couples.

Homeowners and Renter's Insurance

For some couples, one of the first decisions to make is where to live – whether to stay in one of your current residences or find a new home together. Either way, you're going to have to decide if you'll stay with one of your current insurance companies, or find a new one. There are several things to consider:

- Compare the premiums. Remember, location, size and construction type are considered when calculating your insurance premium.
- Premium rates on a home that's been insured for a long period may have more discounts such as claim-free or multi-line. Check your current policies for these types of discounts.
- Get quotes from both of your current insurance companies and from other insurance companies, but make sure the quotes are for the same coverages so you can make a fair comparison.
- Make an inventory of all of your belongings you'll be combining to determine how much coverage you'll need. Be sure to update your inventory as you purchase new items, or with wedding gifts.
- Be sure to insure valuable artwork, collectables, or jewelry – you may need a personal property rider on your policy to provide adequate protection against theft, accident or natural disaster.
- If you're choosing to add on to a current home to accommodate an expanding family, call your agent. Always review your insurance coverage after any home improvement projects over \$5,000.
- If you're adding outdoor play equipment like a swing set, trampoline or swimming pool, you might consider an umbrella policy to increase your liability coverage and protect you in the event someone is injured.

Cancelling a Policy

If you decide to cancel one or both of your current homeowners or renter's policies, cancel your coverage effective the first day you're no longer physically living in the home. That way if you're moving out in stages, your insurance continues for any possessions you leave there. If you're selling a home with a mortgage, your lienholder may require you to maintain insurance coverage until the home is sold. Check with your mortgage company for its requirements.

Most insurance companies will require you to submit a cancellation request in writing. Check your policy or talk with your agent to see how much notice you are required to give the company and where to send the request.

Leaving a home vacant while you're moving can change your insurance risk. Vacant homes can be targets for vandalism or break-ins and there's a higher risk for unforeseen damage such as burst water pipes, fire, etc. Insurers can impose coverage limitations once a home is vacant for a certain number of days. Check with your agent, if you will be leaving a house vacant for an extended time, to see if you might be able to purchase a supplemental endorsement that provides coverage while the home is vacant.

Auto Insurance

Married couples have the option of combining their auto insurance policies. If you decide to combine your coverage, be aware that all licensed drivers in your household are then generally used to rate all of the vehicles covered. Following are some things to consider when combining your policies. Be sure to consult your agent about your options.

- If your spouse has a poor driving record, this could adversely affect your premiums. Consult with your agent about your options.
- Your vehicle age and type affect your premium. Purchasing a larger vehicle to accommodate a growing family, such as a mini-van or sport utility vehicle, could impact your premium.
- If you will be transporting other children, you may want to consider increasing your liability or medical limits in case of an accident.

Newlyweds may find they are eligible for new discounts. Some insurance companies consider married couples a lower risk and may lower your rates. In addition, if you combine your auto policies or add auto coverage with the same company as your homeowners or renter's policies, you may be eligible for additional volume or multi-line discounts.

If you or your spouse own motorcycles, boats, personal watercraft, recreational or other types of vehicles, be sure to contact your insurance company to see if both of your names are required to be added to the insurance policy.

Health Insurance

Start by evaluating your current and future health care needs. Review the provisions of the policies you are choosing between with those needs in mind. Remember to check for any policy exclusions or other limitations on pre-existing medical conditions.

If you have group health insurance, you are allowed to add your spouse to the plan outside annual open enrollment because marriage is considered a qualifying major life event. Contact your benefits administrator to find out what you need to do. Insurance companies require notification of marriage within a certain number of days.

If you have an individual health insurance plan, some insurance companies may require proof of insurability before covering your new spouse. This means they may be required to meet underwriting guidelines before getting coverage. Contact your insurance agent for specific enrollment requirements for spouses.

Life Insurance

A life change - like marriage - can be a good time to consider life insurance to help secure your family's financial future. It also helps ensure that your estate will be allocated to the beneficiaries you have chosen.

When evaluating an individual life insurance plan, look for one that fits your financial situation. If you already have life insurance, you'll probably need to update your beneficiary information to include your spouse. Contact your insurance agent or company for the necessary forms. If you have questions about choosing a beneficiary, consult with an estate attorney. Or, if this isn't your first marriage, you may need to consult an attorney to see if there are legal restrictions to changing your beneficiary.

Blended Families and Health Insurance

If your newly combined household includes children and you need to provide insurance coverage for them, review your options. If you have group health insurance through your employer, you can add new dependents to the policy outside of the annual open enrollment period. Contact your employer's benefit administrator for the specific requirements and enrollment forms. Insurance companies require notification within a certain number of days.

If you have an individual health insurance plan, proof of insurability may be required to add the child(ren) to your policy. Make sure to review any limitations of coverage for pre-existing conditions before enrolling your child(ren). You will need Social Security numbers to add dependents to your individual or group health insurance coverage. The insurance company may require you to provide documentation proving the relationship between you and the child before providing coverage.