

MORICI & MORICI, LLP

Things to Know about Insurance Coverage

In difficult times such as the present, it is critical to understand your homeowners policy and, if applicable, flood insurance policy so that you can determine the proper steps to be taken from any damage caused by Hurricane Sandy. Furthermore, many personal injury accidents that arise at one's home, including slip and fall accidents, are typically covered by the homeowners insurance policy. Traditional homeowners insurance may be insufficient, however, when it comes to covering injuries or loss arising from unique personal injury incidents. Family pets, backyard trampolines, swimming pools, and other similar assets may cause injuries to you, family members, friends or other visitors to your home but personal injuries caused from these scenarios may not be covered and are better protected by specialty insurance endorsements or personal umbrella liability policies. Moreover, Supplemental Underinsured/Uninsured Motorist ("SUM") coverage may be valuable when it comes to injuries suffered in a motor vehicle accident.

Damage Caused by "Hurricane" Sandy and Potential Claims under Your Homeowners Policy

The devastating storm that hit our area last week has been commonly referred to as "Hurricane Sandy". The National Hurricane Center, however, declared Sandy a "post-tropical storm" and this distinction may save homeowners a great deal of money. Because the storm was not characterized as a hurricane, the governors of New York, New Jersey and Connecticut have informed insurance carriers that they cannot enforce expensive deductibles on storm related claims, which may be as high as 5 percent of a home's value. For example, a person owning a house worth \$500,000 who sustained damage from the storm would typically be responsible for up to \$25,000 before a carrier would cover any of the damage. In most policies, hurricane deductibles supplement basic deductibles, which are commonly around \$1000.

Nevertheless, homeowners might still be responsible to pay for damage caused by Sandy. Some insurance policies do not cover wind damage or place high deductibles for wind damage regardless of whether it is caused by a hurricane. Additionally, insurance companies may disregard the categorization of "hurricane" vs. "post-tropical storm" and be hesitant to settle any claims you may have until a deductible is paid. We encourage any homeowners who are being forced to pay a deductible to immediately contact your Governor and State Insurance Commission in writing and report any developments on social media websites to make others aware. Carriers might also try to recover costs by raising premiums for future homeowners and flood policies and by utilizing current policies that have "anti-concurrent causation clauses". These clauses allow insurers to disclaim coverage if there are two causes of damage at the same time, such as wind causing a tree to fall on your kitchen and rain/wave currents causing flooding to your basement. Because the language in these policies may be ambiguous, you may be able to sue your carrier for denying coverage on your claims. Therefore, we strongly encourage you to review your insurance policies carefully and contact us with any questions you may have.

You may also be able to seek assistance from some of the government programs out there that provide food, housing, medical care and other related benefits including the Federal Emergency Management Agency ("FEMA") and the American Red Cross. In New York, the five boroughs (New York, Kings, Bronx, Queens and Richmond), as well as Nassau and Suffolk County, are entitled to the FEMA benefits. Please call 1-800-621-3362 or visit <http://www.fema.gov/>. You may also text the word "SHELTER" and your zip code to 43362 (4FEMA) to locate a nearby shelter or call 1-800-733-2767. You may also wish to contact the American Red Cross at 1-800-733-2767 or visit their website at <http://www.redcross.org/> for disaster relief benefits.

Injuries Caused by Animals

Did you know that in 2011, over 46 million U.S. households owned at least one dog as a pet? Dog bites accounted for more than one-third of all insurance liability claims paid out that year. Many insurance companies cover liability for dog bites that occur on the owner's property, but traditional policies may only cover the first incident in which an animal causes injury or possibly not even the first incident. The owner of a "dangerous" dog may have to look for endorsements covering dog incidents or another form of specialty insurance.

Homeowners insurance policies might not cover animal incidents that occur away from the home. While a dog bite during a dog walk may be covered by homeowners insurance, some policies may exclude injuries if, for example, a dog bites someone through the window of a car. In the event that a dog bite occurs in a motor vehicle, homeowners insurance may be insufficient and automobile insurance will have to cover the incident. Our firm has successfully obtained judgments for victims of injuries caused by animals in amounts exceeding tens of thousands of dollars.

Injuries Caused by Trampolines, Pools and Treehouses

Did you know that trampolines and other types of backyard entertainment, such as swimming pools and treehouses, are specifically excluded under some insurance policies? Insurance companies consider trampolines to be an Extreme Risk due to the risk of severe injury, including paralysis and death. This is likely a concern for the 3 million households that have a trampoline somewhere on their property. Some insurance policies offer liability coverage so long as homeowners adhere to certain safety precautions or obtain endorsements. Those homeowners that do not have such policies may wish to shop around in order to avoid paying expensive, out-of-pocket medical bills.

Other Injuries Caused by Third Parties Outside of the Home

Did you know that in addition to homeowners policies insuring incidents at your home, these policies might cover accidents caused by negligence outside of the home? For example, if you or your child is injured due to the negligence of another child on a bus ride, you may recover for that child's negligent act under his or her parent's homeowners policy. Similarly, if a child negligently causes an injury to your child at school or at a playground, that child's negligent act might also be covered under his or her parent's homeowners policy. We have represented victims of negligence caused by others outside of the home and successfully obtained settlements and judgments for our clients.

Umbrella Coverage and Other Types of Excess Coverage

Homeowners have different options to consider for better suited coverage, including umbrella coverage, excess coverage, and various canine liability policies. Personal umbrella liability policies provide coverage for excess liability over traditional coverage, as well as coverage for some of the liability that is usually excluded by underlying policies, which may include canine liability and trampoline liability. Obtaining umbrella insurance might be advantageous if you own these assets. At a reasonable rate, you can purchase a \$1 million umbrella policy for approximately \$150 to \$300 per year and an additional \$1 million for about \$75 per year.

Supplemental Underinsured/Uninsured Motorists ("SUM") Coverage

What is SUM insurance? SUM stands for Supplementary Underinsured/Uninsured Motorists coverage. SUM provides coverage to protect you in the event that the other driver is driving illegally without insurance, or when the other driver's policy limits are not high enough to cover your damages.

SUM insurance is important because New York only requires drivers to carry minimum liability coverage limits of \$25,000 for any one person and \$50,000 for all persons injured in an automobile accident. Quite often, accidents result in injuries totaling a much greater amount. In circumstances such as these, obtaining SUM insurance can prove to be beneficial. SUM insurance coverage can be easily purchased from your own insurance company for a relatively small fee (approximately \$50-\$100) and can be purchased up to the amount of liability insurance coverage you can carry on your vehicle.

The New York State Legislature recently passed the SUM bill, which amends the Insurance Law by altering the notice requirements that must be given to drivers. The new amendment requires a driver's SUM insurance limit to match their liability coverage, unless the driver chooses to decline the additional coverage.

For more information, please note that MORICI & MORICI, LLP, Attorneys-At-Law can assist you in all aspects of your problems arising from your liability coverage and related personal injury cases. Please contact MORICI & MORICI, LLP at (516) 873-1902, (212) 687-6050 or (718) 946-0111 so we can advise you regarding your options. As always, you are entitled to free consultations with MORICI & MORICI, LLP regarding your legal rights for personal injury and related matters. Therefore, you are encouraged to call our firm for any questions you may have.

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