

Comparing Rotten Apples and Oranges

You've seen the commercials: "Call now and save 15% or more on your car insurance." Unfortunately, when someone is selling substandard coverage or service, the only marketing ploy is price. Consequently, advertising campaigns lead consumers to believe the only difference between insurance companies is price. Worse, the save 15% mantra implies the agent is totally worthless in the transaction and disregards exorbitant advertising budgets. Here's proof that you can't compare apples to oranges, particularly when the apples are rotten.

An agent wrote an insured's HO policy, but his car was insured with a "save 15%" company. Here's the claim: "Our insured's car was stolen and destroyed. The carrier denied the claim because his keys were in the car and there was no sign of forced entry. According to the adjuster, the policy does not cover theft without evidence of forcible entry."

The ISO PAP has no such prerequisite for theft coverage. However, this carrier's policy did require evidence of forcible entry in order to trigger coverage. Sadly, it appears the insured is out almost \$20,000, but he did (allegedly) save 15%!

The moral of the story...read the policy! You might save 15%...unless you have a claim. To read more, go to IAmagazine.com.



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