# Harris Insurance Raises Awareness Amongst Homeowners About Non-Renewal Of Property Insurance

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Fort Walton Beach, Florida - June 09, 2021 -
Florida Insurance Agency Harris Insurance is raising awareness about the non-renewal of home insurance policies. Homeowners who are wondering why is my home insurance non-renewing, can read the latest blog from Harris Insurance.

According to a report by the Insurance Journal published earlier this month, Universal Insurance Co. of North America decided to drop 13,294 personal residential policies. Gulfstream Property & Casualty is canceling about 20,311 personal residential policies. Southern Fidelity Insurance Co. is going to non-renew approximately 19,600 personal residential policies over the next 14 months. All of these were approved according to consent orders from the Florida Insurance Commissioner, David Altmaier.

When a Florida property insurance company issues coverage, they have a 90-day window to inspect and evaluate the property. During this window, they can withdraw the offer if they find any reason to do so. The 90-day period essentially gives the insurance companies time to qualify and verify the home. After the 90-day period, coverages can only be canceled or non-renewed. Cancellation can happen any time during the policy

term while non-renewal can only happen at the time of the policy expiration. Readers can view the company's Facebook page to find contact information and keep up with happenings in the insurance industry.

The process of determining whether the company might insure the property and at what cost is called underwriting. Underwriting gives the companies a chance to carefully assess the unique risks that come with the property and give them the power to decide whether they are worth taking on. Some parameters that factor into this report are the homeowner?s record or CLUE (Comprehensive Loss Underwriting Exchange), the location of the home, the credit history, and others. Homes in risky locations with a high crime rate, or a homeowner with a low credit score, or a higher number of claims filed gives the insurance company enough reason to issue a non-renewal on the policy.

One reason behind the companies choosing to ?drop? coverages from their asset portfolio is that the company has to maintain adequate cash reserves to pay claims in accordance with state and federal laws. In Florida, this is monitored by the Florida Department of Financial Services (FDFS). If a company finds that they are ?over-extended?, which in common parlance means that their risk is exceeding the state-mandated regulations, they have two options. They can choose to purchase insurance from another insurance company that will reimburse the company in case of a catastrophic event like a hurricane or tornado. This process is called re-insurance. The other option is to reduce the amount of insured value and the number of policies they are holding. This option reduces a company?s exposure in the market.

Homeowners can ensure that their policies are renewed by following a couple of steps. Maintenance of the home such as upgrading plumbing systems, electrical systems, and other repairs that improve the integrity of the home as well as annual reviews with their licensed Agent, are important to keep the home insurable with their current company as well as put clients in the best position if they need to re-shop their policy. Homeowners should also file claims only when they are absolutely needed. Filing too many claims can cause the insurer to not renew the coverage as the customer might be deemed too risky. Homeowners can also improve their credit scores to reduce their prediction of risk in the eyes of the insurance company. A lower credit score implies poor spending habits, and they may also be charged higher premiums.

A spokesperson for Harris Insurance spoke on the recent glut in non-renewals by saying, ?It is important to remember, the State of Florida took this dramatic action to protect consumers. Of course, nobody appreciates being canceled by an insurance company, for any reason. However, cancellations and non-renewals are a requirement to protect insurance consumers from instances where an insurance company may find themselves over-extended. Insurance Companies must have adequate reserves in order to honor their obligations and pay claims. Like a balance sheet, financial rating companies only portray a snapshot of an insurance company?s financial condition. Shortages compounded by Coronavirus have added to unforeseen elevations in repair costs due to availability, labor, and materials. These increases now also must be considered, and then the increased costs multiplied by thousands of policyholders. This is especially

important in states like Florida which have such large exposure to widespread damage from tropical storms and hurricanes. It is a better result to go through the pain of replacing coverage now, versus being exposed to unexpected losses or even delays in payments if your home is damaged.?

Those interested in learning more or who would like the assistance of Harris Insurance to re-shop insurance policies can contact them by filling out an online form or calling the office at (850) 244-2111.

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For more information about Harris Insurance, contact the company here:Harris InsuranceNatalie Schmidt(850) 244-2111 Natalie@harrisinsurance.com123 Miracle Strip Pkwy SE, Fort Walton Beach, FL 32548

**Harris Insurance**

*Harris Insurance is a licensed insurance brokerage located in Downtown Fort Walton Beach since 1965. We offer the area?s largest selection of A-Rated national companies. We serve all of Florida.*

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