



A consumer information
brochure published by the

New Hampshire Insurance Department

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Homeowners Insurance

Frequently Asked Questions



The New Hampshire Insurance Department makes sure that insurers doing business in the state are financially sound, that insurance is available and appropriately priced, and consumers are treated fairly by doing the following:

- Licensing insurance companies and monitoring their financial stability
- Reviewing insurance forms and premium rates to be sure they comply with state law
- Licensing individual insurance producer/agents and brokers as well as insurance agencies
- Helping consumers with questions and problems
- Ensuring that insurance companies and producer/agents comply with state insurance laws
- Educating the public about insurance
- Advocating reforms that protect the insurance-buying public

DOES MY HOMEOWNER'S POLICY COVER FLOOD DAMAGE?

No. The homeowners policy specifically excludes water damage resulting from flood. This exclusion includes flood, surface water, wave tidal water, overflow of a body of water, water that backs up from sewers, drains or sump pumps as well as water that seeps through the basement walls and floors.

The National Flood Insurance Plan (NFIP) is the only source for obtaining flood insurance for residential property. Your agent should be able to assist you if you need or desire flood insurance coverage. For additional information visit the National Flood Insurance Plan website at: <http://www.FloodSmart.gov>

CAN MY INSURANCE COMPANY NON-RENEW MY POLICY IF I HAVE HAD ONLY ONE CLAIM?

No. The nonrenewal of a homeowner's insurance policy is not allowed if the nonrenewal is based solely on the insured having filed a single valid claim within any one previous or current policy term. RSA 417-B: 3-a

IF A TREE FALLS ON MY HOUSE FROM MY NEIGHBOR'S YARD, WHO PAYS FOR THE DAMAGE?

Generally, the insurance responsibility lies with whoever's property is damaged. In other words, if a tree falls on your home, no matter where the tree came from, your insurance company should pay for your home repair.

WHAT IS REPLACEMENT COST?

Replacement cost is the amount necessary to replace or rebuild your home or repair damages with materials of similar like kind and quality without deducting for depreciation.

Frequently Asked Questions

MY INSURANCE AGENT PROVIDED A QUOTE FOR MY HOMEOWNERS INSURANCE, WHEN MY BILL WAS RECEIVED THE PREMIUM WAS HIGHER THAN QUOTED. CAN THE INSURANCE COMPANY DO THIS?

The information given to the agent may have been incomplete or incorrect when the quote was given, which would affect your premium. The company must calculate your premium in accordance with its current rates which have been filed with and approved by the Insurance Department. Companies order claim reports, credit reports, and property inspection reports; each of which may affect the final premium, and may contain information that was not available to the agent at the time of the quote.

EXAMPLE: You advise the insurer that your home was of masonry construction and in fact it is of wood construction, this would affect the premium of your homeowners' policy.

IS THE INCREASED COST OF CONSTRUCTION, DUE TO CITY ORDINANCES, COVERED BY THE HOMEOWNERS INSURANCE POLICY?

Policies differ from company to company. You should carefully review your policy or contact your agent or company for clarification.

I HAD A LOSS, AND MY ROOF NEEDS REPAIR. THE COMPANY IS ONLY WILLING TO PAY FOR REPAIRING PART OF THE ROOF, EVEN THOUGH THE CONTRACTOR HAS SAID THAT I NEED TO REPLACE THE ENTIRE ROOF.

The company is only obligated to pay the cost of repairing the part of your roof that was damaged by a covered peril. If the entire roof needs replacing because of normal wear and tear, you will be responsible for paying the additional cost.

WHAT DOES ADDITIONAL LIVING EXPENSE OR LOSS OF USE COVER?

Most home insurance policies cover extra costs that you incur if your home is damaged by a covered peril and you cannot live there while repairs are made or if you are denied access to your home by government order. The coverage is generally subject to duration and /or monetary limits and commonly covers any extra expense incurred by you so that your household can maintain its normal standard of living. In some instances, this coverage may include the costs of a motel, eating in a restaurant or storing some property.

WHAT IS ACTUAL CASH VALUE?

Actual cash value means the dollar amount needed at the time of the loss to replace the property destroyed, less the property's depreciation. Most standard home insurance policies cover the contents of your home (i.e., personal belongings) on an actual cash value basis, but it may be possible to purchase replacement cost coverage. You may wish to contact your insurance representative for further information regarding replacement cost coverage.

Frequently Asked Questions

I HAVE A CHILD AT COLLEGE LIVING IN A DORM. WOULD MY CHILD'S PERSONAL PROPERTY, INCLUDING TV AND STEREO, BE COVERED UNDER MY HOMEOWNERS POLICY?

Most homeowner's policies will extend some coverage to property that the student has in his/her possession while away at school. Check with your agent or review your policy to determine the extent of coverage available.

I HAVE A HOMEOWNER'S POLICY. IS MY HOME COVERED FOR DAMAGES CAUSED BY HIGH WINDS OR TORNADOES?

Most homeowner policies cover damages to the dwelling caused by tornadoes or other wind damage. The homeowner policy covers the dwelling and personal property inside the home. The homeowner policy also covers storage buildings and other unattached structures on the insured premises, including personal property inside the building. More often than not, such coverage is limited to a percentage of the insured value of your home.

* This coverage would also apply to a Mobile Home Insurance policy.

OUR SUMP PUMP FAILED AND THE INSURANCE COMPANY IS DENYING OUR CLAIM, BECAUSE WATER BACKED UP THROUGH OUR SEWER. CAN THEY DO THIS?

Most insurance policies exclude water damage for water which backs up through sewers or drains. Many companies offer this coverage through an endorsement that can be purchased for an additional premium. You may wish to contact your agent to inquire about placing an endorsement on your policy which would cover sewer back up.

IF I HAVE ADDITIONAL QUESTIONS OR AM NOT SATISFIED WITH THE SERVICE THAT MY AGENT OR INSURANCE COMPANY HAS PROVIDED, HOW DO I CONTACT THE DEPARTMENT OF INSURANCE?

You may reach a Consumer Services Representative at 800-852-3416 or 603-271-2261.