AMERICANA
Financial Group

FIELD GUIDE Nº 6

Property & Casualty

Home, auto, umbrella — and what the fine print actually promises.

WARRENVILLE, ILLINOIS · LAS VEGAS, NEVADA

What’s inside

> *Home and auto policies are the coverage almost everyone owns and almost nobody reads. This guide walks the parts that decide what a claim actually pays — and the exclusions that surprise people.*

I

What P&C actually covers

Two jobs: your property, and your liability.

Property and casualty coverage does two distinct things. **Property** pays to repair or replace things you own. **Casualty** — liability — pays when you are responsible for someone else's injury or damage, and defends you when you are accused of it.

Most people shop the first and ignore the second. The liability side is where a single event is most capable of reaching past insurance and into savings.

> *Property losses are usually capped by what you own. Liability losses are capped only by your policy limit.*

II

The six coverage parts

What a homeowners policy is actually made of.

A standard homeowners policy is really six coverages in one document:

- **A — Dwelling:** the structure itself
- **B — Other structures:** fence, shed, detached garage
- **C — Personal property:** your belongings
- **D — Loss of use:** living costs while the home is unlivable
- **E — Personal liability:** injury or damage you are responsible for
- **F — Medical payments:** minor injuries to guests, regardless of fault

> *Coverages B, C, and D are commonly set as a percentage of A. Raise the dwelling limit and the others generally move with it.*

III

Replacement cost vs. ACV

The single most consequential setting on the policy.

Replacement cost pays what it takes to replace the item with a comparable new one. **Actual cash value** pays replacement cost minus depreciation.

On a fifteen-year-old roof, that difference can be most of the claim. ACV lowers the premium and shifts real dollars of risk back to you — which may be a fine trade, as long as it is a decision rather than a surprise.

> *Check which basis applies to the roof and to personal property separately. They are not always written the same way.*

IV
Auto — the limits that matter

Liability first, then the rest.

Auto liability is quoted as three numbers — bodily injury per person, bodily injury per accident, and property damage. State minimums are frequently far below the cost of a serious accident.

Collision covers your car in a crash; **comprehensive** covers theft, weather, glass, and animals. **Uninsured and underinsured motorist** coverage protects you when the driver at fault cannot pay — a coverage worth understanding rather than declining by default.

> *Carrying the state minimum is a decision to self-insure everything above it. Few households could actually do that.*

V

Umbrella liability

The cheapest large coverage most people can buy.

An **umbrella** policy sits on top of the liability limits in your home and auto policies and adds coverage — typically in million-dollar layers — once those are exhausted.

Because it only pays after the underlying policies do, it is generally inexpensive relative to the protection it provides. Carriers require you to hold specified underlying limits before they will write it.

> *Anyone with meaningful assets, a teenage driver, a pool, a trampoline, or a rental property should at least price one.*

VI

Deductibles & the claims decision

When filing is the wrong move.

The deductible is what you absorb before coverage responds. Raising it lowers the premium — reasonable, provided the amount is genuinely sitting in cash.

Some home policies apply a **percentage** deductible for wind, hail, or hurricane, calculated on the dwelling limit rather than a flat dollar figure. That can be a much larger number than owners expect.

A claim modestly above the deductible may cost more in future premium than it returns.

> *Know your wind and hail deductible before storm season, not during the adjuster's visit.*

VII
Business coverage

Where a personal policy stops.

Personal policies generally exclude business activity. If you run a company — or a genuine business from home — coverage typically comes through a **business owner's policy** combining property and general liability, plus **commercial auto** for vehicles used in the work.

Professional liability, cyber, and workers' compensation are separate again, and often required by contract or by state law.

> *Delivering goods or carrying tools in a personal vehicle can fall outside a personal auto policy. Verify it before it matters.*

VIII
What standard policies exclude

The gaps people discover after the loss.

Standard homeowners policies commonly exclude **flood** and **earthquake** entirely — both require separate coverage. Water that backs up through sewers or drains is usually excluded unless a specific endorsement is added.

High-value jewelry, art, firearms, and collectibles are typically subject to low internal sub-limits and need to be scheduled individually to be fully covered.

> *Flood is defined narrowly and is not covered by a standard policy anywhere — including in areas that have never flooded before.*

IX
The annual review

Twenty minutes that usually pays for itself.

Once a year, confirm the **dwelling limit** still reflects local rebuilding costs, the **liability limits** still reflect your assets, and any renovation, new driver, business venture, or major purchase has actually been reported.

Then compare carriers. Pricing shifts constantly, and independent access to multiple carriers means the comparison can be made without changing agents.

> *Construction costs move faster than policy limits. A home insured to its purchase price is frequently underinsured to rebuild.*

Now read your own declarations page.

Bring the declarations pages from your home and auto policies. We will walk the limits, the deductibles, and the exclusions line by line — and shop them across carriers if that serves you better.

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