



Coverage. Value. Commitment.

Spring 2007

Automobile Recreational Vehicles Home Life Health Medicare Supplement Business

## News & Views

A newsletter designed to provide useful information and helpful tips to enhance your insurance value.

*We pledge to treat you the right way; emphasizing Coverage, Value and Commitment. Your Trusted Choice since 1970.*

### 24/7 E-mail:

Bryan  
bryan@kouriinsurance.com

Randy  
randy@kouriinsurance.com

Warren  
warren@kouriinsurance.com

Sheldon  
sheldon@kouriinsurance.com

Becky  
becky@kouriinsurance.com

Anne  
anne@kouriinsurance.com

### 24/7 Services:

[www.kouriinsurance.com](http://www.kouriinsurance.com)

## Summer Rains ... Are you prepared?

With spring in full force, and summer approaching, now is a good time to revisit your home policy. Home policies are designed to provide coverage for a wide variety of losses, but they do not cover everything.

Water is an event that is limited under the home policy. I am going to use the HO-03 policy as an example because it is the form we use most often. Under this form, water losses are not covered if they arise from flood, water seepage, or backup from sewers, drains or sump pumps. These exclusions are standard under any companies home policy. Coverage is generally available though if an internal pipe breaks, appliance leaks, or if weather damages the roof and rain enters through the damage.

To improve the standard policy, many of our companies will offer optional coverage for water that backs up from your sewers and drains, or comes in through your sump hole. This is an extra cost endorsement that we offer at the time of application. It can also be added when your policy renews. While many of you have chosen this option, it is best to check your policy, or call our agency, if you are uncertain if you carry this coverage. The other option available is flood insurance. Flood insurance is pretty limited, but it does do a nice job of assisting with large losses in the event of a flood. Unlike the above two examples, there is **no** insurance solution for water seepage losses. This is one of the very few loss causes that we can not provide coverage for.

We strongly encourage you to do an assessment of the area around your foundation. Make sure your yard slopes away from your home and that your landscaping assists in the draining of water away from your home. Often, the cure to a water seepage issue is using your landscaping to channel water from the home.

Do you have a battery backup for your sump pump? This inexpensive option can save a great deal of heart-break if your electricity goes out during a storm. If power is interrupted, the battery kicks in to save the day.



For 24 hr Service Requests, Please Visit Our Web Site: [www.kouriinsurance.com](http://www.kouriinsurance.com)

## Medicare News and Changes for 2007

Starting in 2007, for the first time ever, Medicare will charge seniors for Medicare Part B **based on their income**. This is a result of the 2003 Medicare Modernization Act. Even though only about 4% of seniors will have high enough incomes that will require them to pay more, this was a widely debated change because as you know, the taxes taken out of our paychecks to support Medicare are also income based. Therefore, this 4% of seniors have already paid more into Medicare, and now when they retire they will have to pay more to get the benefit. On the other hand, Medicare continues to go broke so this is just one band-aid the government is using to make the program float a few more years.

**Medicare no longer sends letters to beneficiaries turning 65** reminding them to sign up for Medicare (actually, the SSA sends out these letters). This exacerbates the already existing problem where seniors don't sign up for Medicare when they're eligible, and then their group coverage "carves out" their Medicare benefits. This SSA operational change may result in more seniors failing to enroll in Medicare when first eligible and hence missing their once in a lifetime initial enrollment period.

This change is due to the fact that Social Security benefits are no longer being paid on the 65<sup>th</sup> birthday - The retirement age for Social Security is increasing to age 67, however the Medicare eligibility age is still 65. Whether or not the beneficiary gets a "reminder" letter (i.e. is automatically enrolled in Medicare Part B) depends on whether the beneficiary already receives benefits from SSA.

**If you already receive benefits from Social Security:** If you already get benefits from Social Security or the Railroad Retirement Board, you are automatically entitled to Medicare Part A (Hospital Insurance) and Part B (Medical Insurance) starting the first day of the month you turn age 65. You do not need to do anything to enroll. Your Medicare card will be mailed to you about 3 months before your 65th birthday. (Note: if your birthday is on the 1st day of any month, Medicare Part A and Part B will be effective the 1st day of the prior month. For example, if your 65th birthday is February 1, your Medicare effective date would be January 1.)

**If you are not getting Social Security benefits:** If you are not getting Social Security benefits, you can [apply for retirement benefits and Medicare](#) online. If you would like to file for Medicare only, you can apply by calling 1-800-772-1213.

Kouri Insurance is pleased to offer a variety of options for your 65 and over health insurance needs. Call us today for a no obligation discussion of your needs and our solutions.

## For Immediate Service

Our goal is to provide you with the best insurance experience possible. To achieve this, we work very hard to try to provide the service you need with just a single call to our office.

Kouri Insurance is fortunate to have very skilled Customer Service Representatives who are capable of taking care of your needs. As such, when you call in for assistance, you will often be directed to Anne or Becky to take care of you. They assist your agent in providing immediate service when you need it.

We are also adding 24-7-365 capabilities over 2007 that will allow you to have your policy serviced any time you need us. This includes claims reporting, bill paying, what if quotes, and a host of other capabilities. Kouri Insurance is being positioned to be the leader in providing auto, home, motorcycle, boat, health, life and small business insurance in Sioux Falls.

## Thank You for your Referrals!!!

Thank you very much for the generosity of your referrals. Since our last newsletter, we have saved many of your friends and family members, on average, hundreds of dollars each on their insurance costs.

Our companies are very competitive on both product and price. I am confident that we can save those you refer to us at least 10%-20% off their current insurance rates. This is done using excellent companies and building their insurance to fit their needs.

## The Move Was A Success!

Please remember that we are now in our new location. We are a little further South, now on the corner of 77th St & Minnesota Ave. The building is on the West side of Minnesota and we would ask that you use the East entrance of the building. You will find us to be the only two story office building in the area.

Contrary to rumors, we are not in Harrisburg, though Bryan can see the water tower from his office. Sioux Falls has definitely grown. Come for a visit, we would love to see you.

## Ask Your Agent: Answers to common questions.



**Q. If I choose a higher deductible, will I save money?** While it is true that a higher deductible will save you money on your premium, it is not always wise to carry a high deductible. It is important to balance the long term savings with the increased out of pocket expenditure you will have if a claim occurs. If you need to fix your car or home, or have a large medical expense, do you have the resources to pay the deductible you have chosen? Choose the highest deductible you can afford.

**Q. I have never had a claim, why did my insurance change?** It is important to remember that insurance is designed to spread the risk among a large pool of people. If each person was charged based only on their driving, claims, or medical history, many individuals and families could not afford insurance. As a society, we all work together to ensure that the overall cost of insurance is as affordable as possible for all of us individually and as a whole. If the overall claims cost rises, so will the overall insurance cost. Within auto insurance, those drivers that contribute to raising the cost of claims by having violations and accidents contribute a greater premium than those that do not. It is important to remember that rising medical costs, home prices, car prices, auto repairs, and lawyer involvement in claims all contribute to raising the cost of your insurance as insurance pays these expenses when a loss happens.

**Q. Is it true that I can save money by dealing directly with an insurance company?** Though advertised as the low cost alternative, purchasing insurance by the phone or internet is not necessarily a money saving proposition. Often we find that the savings proclaimed is more a product of advertising than one of fact. Online companies have tremendously large advertising budgets as they do not have agents to tell their story. They instead rely on cartoon characters, animals and B celebrities to pitch their products. Coverage is often ignored with the “hook” being the mascot promoting the company.

These incredible advertising budgets are a part of the internet companies expenses and replaces the commission being paid to agents. It is important to consider that without the assistance of an agent, you are left to make all the decisions yourself. If you have a problem, who works for you? If you have a claim, who would you rather rely on - a stranger on the phone or a real live person paid by you, to represent you? How do you replace the experience and expertise that an agent brings you and your family?

**Q. My claims check was written only for the actual cash value of the damages, yet I have replacement cost on my home policy. Why was this done?** It is important to remember that in most situations, replacement cost is only paid upon the replacement or repair of the covered item. The goal of insurance is put you back to a comparable place to where you were prior to the loss. If you decide not to replace a damaged item, then your actual loss is the lost value of the item. If you replace the item, then your expense is for the cost of replacement and your insurance will reimburse you for this extra expense. For example, let us say that you have 25 year shingles, and they are considered a total loss after 10 years. Your insurance would initially pay you for the 15 years of life you lost. You now have the option of keeping that payment or replacing the shingles. If you replace the shingles, then your insurance company will issue a second check so that you are reimbursed for the full cost of replacing the damaged shingles. Please refer to your specific policy to determine if your coverage includes replacement cost.

# Bridge The Gap

**Not every person is eligible for group health insurance. That's why we offer affordable individual coverage for:**

- Employees and dependents not eligible for group coverage
- Early retirees not eligible for Medicare supplement or retiree benefits
- Retirees eligible for Medicare supplement coverage
- Persons needing short-term medical coverage

**For more information—**

**Call Bryan Kouri**  
(605) 336-6303



An Independent Licensee of the Blue Cross and Blue Shield Association

M-3062 4/05

Questions on your policy coverage or rate? Call us, we are here to help!

## 10 Tips to Keep Your Child Safe

1. Infants should ride in rear-facing child safety seats in the back seat until at least age 1 and at least 20 pounds.
2. If under age 1, but more than 20 pounds, infants should ride in a child safety seat approved for heavier babies and remain rear-facing until at least age 1. Best practice states that children should ride rear-facing until they reach the upper weight or height limits of the safety seat.
3. Never place a rear-facing infant seat in front of a passenger air bag.
4. Once children outgrow their rear-facing child safety seats (typically over age 1 and heavier than 20 pounds) they should ride in a forward-facing child safety seat until they reach the upper weight (usually 40 pounds) or height limits of the seat.
5. Once children outgrow forward-facing child safety seats, they should ride in the back seat in booster seats until they are at least 8 years old, unless they are 4 feet 9 inches tall, at which point they should fit properly in a seat belt.
6. After outgrowing a booster seat, children under age 13 should always use a seat belt and ride in the back seat. Remember, kids of all ages are safest when properly restrained in the back seat.
7. Old/used child safety seats should not be used unless you are certain they have never been in a crash and you have all the parts (including instructions). Seats that are 6 years old or older should be discarded and never used.
8. Always read both the vehicle owner's manual and the instructions that come with the child safety seat.
9. It is important to remember that the "best" child safety seat is the one that correctly fits the child, the vehicle, and is used correctly every time.
10. Get your child's safety seat checked!



### What should parents expect when they get their child's safety seat inspected?

Certified technicians will conduct the child safety seat inspection, and it should only take about 20-30 minutes, depending on the seat and the vehicle. Good resources for inspections are the SF Police Dept and either of our hospitals. The certified technician will:

- Check the child safety seat to see that it has been properly installed;
- Remove and inspect the child safety seat for damage;
- Diagnose problems;
- Ensure the child safety seat is not a recalled model;
- Get information about children riders from the vehicle owner (size and weight of child, etc.);
- Ensure the child safety seat is appropriate for the size and age of the child;
- Teach the vehicle owner the correct procedure to properly and safely install the child safety seat in his vehicle;
- Show the parent or caregiver how to secure the child in the child safety seat; and
- Discuss other vehicles and child safety seats they own, and provide instructions to repeat the correct procedure with other seats or when installing the seat in other cars.



Coverage. Value. Commitment.

6809 S Minnesota Ave Suite 201  
PO Box 89328  
Sioux Falls, SD 57109-1008

Phone: 605-336-6303  
Fax: 605-336-0050  
Email: [kouri@kouriinsurance.com](mailto:kouri@kouriinsurance.com)  
Web: [kouriinsurance.com](http://kouriinsurance.com)

Life Health Auto Home Commercial

### This Issue Features:

1. Summer Rains: Are you prepared?
2. Medicare news for 2007
3. Ask Your Agent
4. 10 Tips for Child Safety
5. Lightning Strikes

We are on the web  
[kouriinsurance.com](http://kouriinsurance.com)



Kouri Insurance is a proud member of Trusted Choice.

### Lightning strikes and your HDTV. Not a good mix.

High-definition televisions, laptops, stereo systems and video game consoles are at the top of many people's wish lists; however, these high-priced items could end up costing homeowners more than they are worth.



Hartford Financial Services Group, Inc., has seen a 77% increase in claims filed between January 2001 and July 2006 for lightning strikes, and the company attributes the increase to the prevalence of cutting-edge electronics and escalating rebuilding costs. Lightning has the potential to fry electronic items because it sends surges of voltage into a home's electric system---these surges also can cause electronic items to become overloaded and catch fire. There is also the damage accrued if and when the lightning hits the house directly.

One of the best measures that you can enact to protect your sensitive electrical equipment, is the use of surge protectors to stop the lightning strike from reaching your equipment. Surge protectors are reasonable in cost and can be used both at the outlet where the equipment is located, and where the electrical is brought into the home. A combination of both methods would provide the most comprehensive protection. For more information, please contact your electrician, or most audio/video retailers for the system that would work best for you.

Thank You For Your Business! We'd love it if you referred a friend.