



Assemblymember

Kevin A. Cahill



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Dear Friend:

As Chair of the Assembly Committee on Insurance, I write you today to offer some insight on practical ways to help you easily cut down on unnecessary spending and find insurance products that meet your individual demands.

GET THE MOST OUT OF YOUR POLICY



Cahill presses industry and consumer stakeholders on the affordability and accessibility of auto insurance in NY.

Automobile Insurance –

Every driver in New York State is faced with an unavoidable expense by being required to purchase a minimum amount of liability insurance. Here are some ways that you may

save a few dollars on your coverage while maintaining a policy that fits your needs:

- **Practice safe driving.** Insurers will likely raise your premiums if: you are involved in a crash, accumulate points on your license, or are found guilty of any serious traffic violation. To put it simply, you can keep your insurance costs lower by not getting pulled over!
- **Sign up for a defensive driving or accident prevention course.** These classes are offered in both online and in-classroom settings. Successful completion of such a program will take up to 4 points off of your New York State driving record or will reduce your premium by 10%.
- **Take advantage of a “multi-policy” or “multi-car” discount.** If possible, consolidate your auto insurance with other insurance that you have, such as a homeowners policy, under a single carrier to receive a rebate. Also, try to maximize savings by insuring all of your cars with the same insurance company.
- **YOU may even be a discount.** Check with your agent or insurer to see whether you may qualify for discounts relating to your status as a senior citizen, good student, good driver, or member of the military or various other “affinity” groups.
- **Review unnecessary or duplicate coverage.** Towing, roadside assistance, full glass repair, or car rental insurance are valuable but can increase your premium. Think seriously about what protection you need and only include extra coverage options that you realistically think you will use.
- **Your CAR may be a discount.** Make sure that your agent or insurer knows exactly what type of vehicle is being insured. Insurance companies offer a wide array of discounts for a large number of common safety and performance upgrades to our automobiles, including: automatic seatbelts and airbags, factory installed anti-lock braking, daytime running lamps, theft alarms, and alternative/renewable fueling capability.

Health Insurance – Consistent with the federal Affordable Care Act, New York implemented an insurance “Marketplace” in 2012 - named NY State of Health. This invaluable resource allows consumers to browse, compare, and sign up for a health insurance policy online or over the phone with a customer care representative. The program provides eligible individuals with reduced cost healthcare options in an effort to ensure all New Yorkers receive adequate wellness services. Regardless of whether you use the Marketplace, you’re content with your current policy, or you may not qualify for assistance with your health care payments, there are still several opportunities to avoid extra costs:

- **Utilize preventive care options.** All health plans offered in the New York State of Health Marketplace and by most other insurance companies fully cover routine immunizations and screenings. It cannot be overstated that taking advantage of these services is essential to maintaining a healthy lifestyle and avoiding costly hospital visits when a preventable health issue suddenly becomes an emergency.
- **Talk to your insurer before going to the doctor.** You should always check first with your health care plan in order to make sure that a sought after medical professional, practice, or course of treatment is “in-network,” as to avoid potentially exorbitant deductibles and out-of-pocket expenses for services considered “out-of-network” by an insurer. However, the 2014-15 New York State budget enacted several consumer-oriented provisions, including: protection from surprise medical bills for emergency services and unanticipated out-of-network providers, a right to seek out-of-network treatment when adequate services cannot be provided in-network, and heightened standards for insurers to keep their network lists up to date and improve policy disclosures.
- **See what your employer offers.** Enrolling in a group plan through your employer may afford you a lower premium and coinsurance rates.
- **Avoid the emergency room.** As many of us have experienced, a trip to the E.R. is costly and extremely time consuming.



Assemblymember Cahill speaks on healthcare funding in the 2014-2015 New York State Budget.

If your situation is not life-threatening, try to first schedule an appointment with your physician, as this visit will likely cost less and the quality of care will be better because your doctor already knows your medical history. Ideally, E.R. visits should be saved for REAL emergencies.

Life Insurance – Predicting your family’s future is always difficult, but a life insurance policy is an effective means to ensure that dependents are taken care of and any expenses or debt left behind will be covered after the insured has passed. When measuring your needs, it is important to factor in the age, health, income, savings, and debt of the insured, in addition to the number of dependents they have. There are two main policy options from which a consumer may choose:

Whole Life

- Provides coverage throughout an individual’s entire lifespan.
- Premiums are level over the course of the enrollment period.
- Policies have a “cash value” where part of the money paid towards the premium is saved or invested so that the insured or beneficiaries may borrow against or simply withdraw these funds.

Term Life

- Offers coverage for a fixed period of time.
- Premiums are subject to a steady increase as the plan matures.
- Terms are generally available in 10, 20 and 30-year options.
- Do not offer a “cash value” option and typically do not provide any significant investment opportunities.

Homeowners Insurance – Your home can be the investment of a lifetime, but insuring such an important asset can cost a lot of money. However, there are policy options for every budget that will protect both your house and possessions. This type of insurance can be quite comprehensive as to what is actually covered, or it can be rather minimal. Here are some easy tips to keep in mind when selecting a policy:

- **Choose your deductible wisely.** Your deductible is the amount of money for which you’re responsible before your insurer begins to pay a claim. If you can afford to select a higher deductible then you stand to substantially lower your monthly premium payments. Insurers typically recommend a deductible of around \$500, but you may save nearly 25% by raising your figure to \$1000.
- **Has your policy been calculated correctly?** Check with your insurance provider to ensure that your policy most accurately reflects the value of your home and those important possessions inside of it. The land that your home sits on is not covered under homeowner policies and thus should not be factored into your premium.
- **Simple improvements may save you money.** Insurance carriers award discounts for strengthening your home’s security system, upgrading its structural integrity or retrofitting it with equipment that is more resistant to damage-causing weather and natural disasters.
- **Location, location, location!** If your home is situated in close proximity to fire or police services then your carrier may offer you a discounted rate because it poses a much lower risk for property theft or fire damage. Conversely, if your property is deemed to be part of a floodplain then you should explore a supplementary flood insurance policy because flood losses are not typically covered under standard homeowners policies.



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INSURANCE

Important Contact Information

Office of Assemblymember Kevin A. Cahill: **518-455-4436 or 845-338-9610**

New York State Department of Financial Services Consumer Hotline: **1-800-342-3736 or www.dfs.ny.gov**

U.S. Health Insurance Marketplace: **1-800-318-2596**

NY State of Health - The Official Health Plan Marketplace Help Line:

1-855-355-5777 or www.nystateofhealth.ny.gov

Sincerely,

Kevin A. Cahill

Member of Assembly