



# Presentation to the 91<sup>st</sup> Annual Meeting of the American Meteorological Society

*Communicating Weather, Climate and Catastrophe Risk and Preparedness*

Seattle, Washington

January 26, 2011

Jeanne M. Salvatore

Senior Vice President – Public Affairs and Consumer Spokesperson

Insurance Information Institute ♦ 110 William Street ♦ New York, NY 10038

[jeannes@iii.org](mailto:jeannes@iii.org) or [@JeanneSalvatore](https://twitter.com/JeanneSalvatore)

# Presentation Outline

- 1. What is the Mission of the Insurance Information Institute?**
- 2. Catastrophes and Insurance**
- 3. Demographics & Disasters in the U.S.**
- 4. Disaster Preparedness – What actions should consumers take to protect themselves against disasters?**
- 5. Level of Preparedness**
- 6. Communications Challenges and Strategies**
- 7. I.I.I. Resources**

# 1. What is the Mission of the I.I.I.?

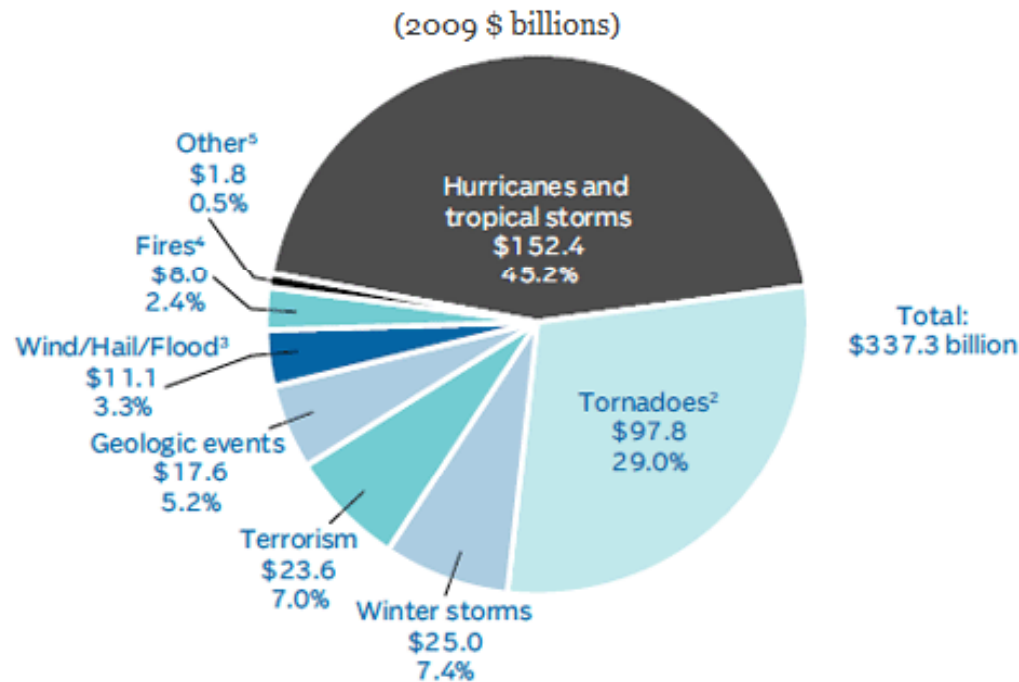
- The mission of the Insurance Information Institute is to build public understanding of insurance—what it does and how it works—primarily through the media.
- The I.I.I. is a non-profit, fact-based, educational organization that is supported by the property/casualty insurance business. It does not lobby.



## 2. Catastrophes & Insurance

- The term “catastrophe” in the property insurance industry is a natural or man-made disaster where claims are expected to reach about \$25 million.
- The typical home and business insurance policy covers damage from natural disasters such as hurricanes, tornadoes, hail, lightning and winter storms, as well as man made disasters such as theft, explosions and riots.
- The two major disasters in the U.S. that are not covered by standard insurance policies are flood and earthquake. Separate insurance is available for these disasters. They are, however, covered under the comprehensive portion of an auto insurance policy.
- Ninety Percent of all natural disasters have some form of flooding so flood insurance is very important.

# Inflation Adjusted U.S. Catastrophe Losses by Cause of Loss, 1990-2009 (1)



(1) Catastrophes are all events causing direct insured losses to property of \$25 million or more in 2009 dollars. Adjusted for inflation by ISO.

(2) Excludes snow.

(3) Does not include flood damage covered by the federally administered National Flood Insurance Program.

(4) Includes wildland fires.

(5) Includes civil disorders, water damage, utility service disruptions and non-property losses such as those covered by workers compensation.

# Average Homeowners Losses, 2004-2008 (1)

(Weighted average, 2004-2008)

Cause of loss	Claim frequency (2)	Claim severity (3)
<b>Property damage</b>		
Fire, lightning and debris removal	0.51	\$25,375
Wind and hail	2.26	7,554
Water damage and freezing	1.40	5,895
Theft	0.49	2,609
All other (4)	0.89	3,850
<b>Liability</b>		
Bodily injury and property damage	0.11	17,941
Medical payments and other	0.06	1,864
Credit card and other (5)	0.07	6,444
<b>Average (property damage and liability), 2004-2008</b>	<b>5.78</b>	<b>\$7,864</b>

(1) For homeowners multiple peril policies. Excludes tenants and condominium owners policies.

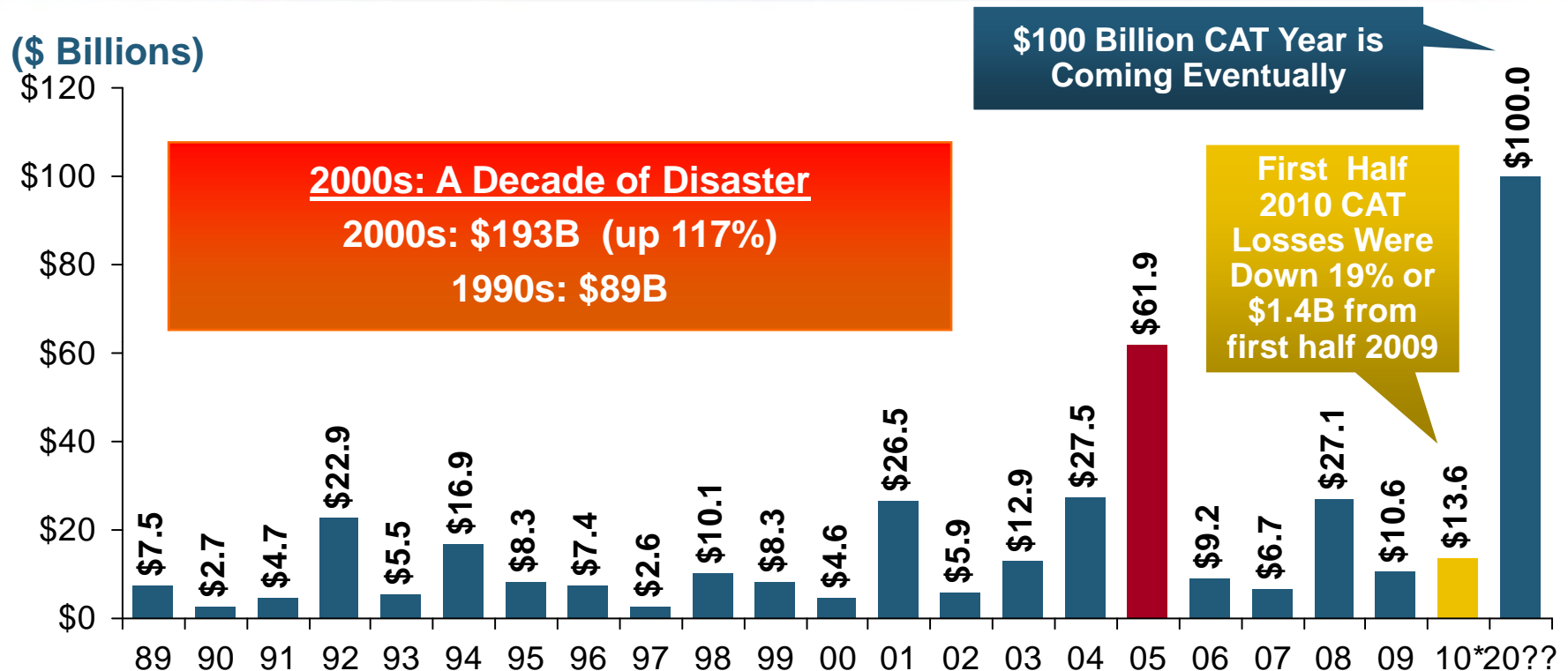
(2) Claims per 100 house years (policies).

(3) Accident year incurred losses, excluding loss adjustment expenses, i.e., indemnity costs per accident year incurred claims.

(4) Includes vandalism and malicious mischief.

(5) Includes coverage for unauthorized use of various cards, forgery, counterfeit money and losses not otherwise classified.

# US Insured Catastrophe Losses



**2010 CAT Losses Were Below the 2000-2009 Average**  
**Figures Do Not Include an Estimate of Deepwater Horizon Loss**

\*Estimate from Munich Re.

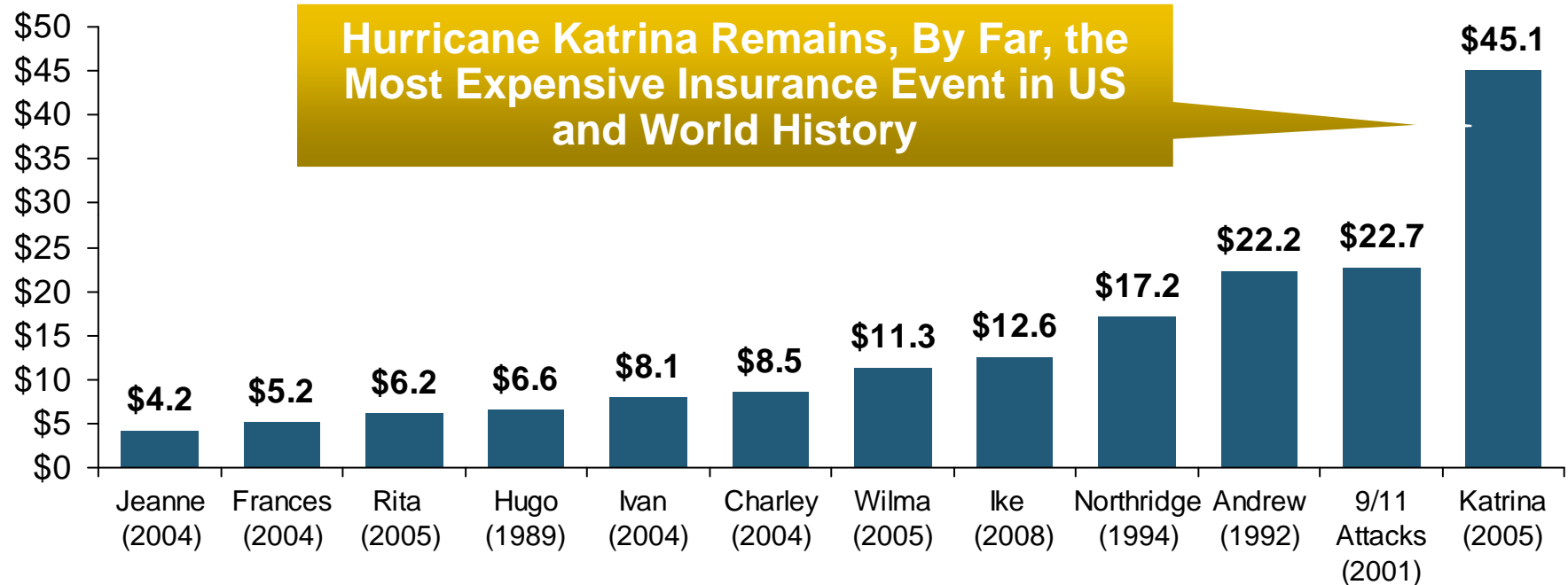
Note: 2001 figure includes \$20.3B for 9/11 losses reported through 12/31/01. Includes only business and personal property claims, business interruption and auto claims. Non-prop/BI losses = \$12.2B.

Sources: Property Claims Service/ISO; Munich Re; Insurance Information Institute.



# Top 12 Most Costly Disasters in US History

(Insured Losses, 2009, \$ Billions)

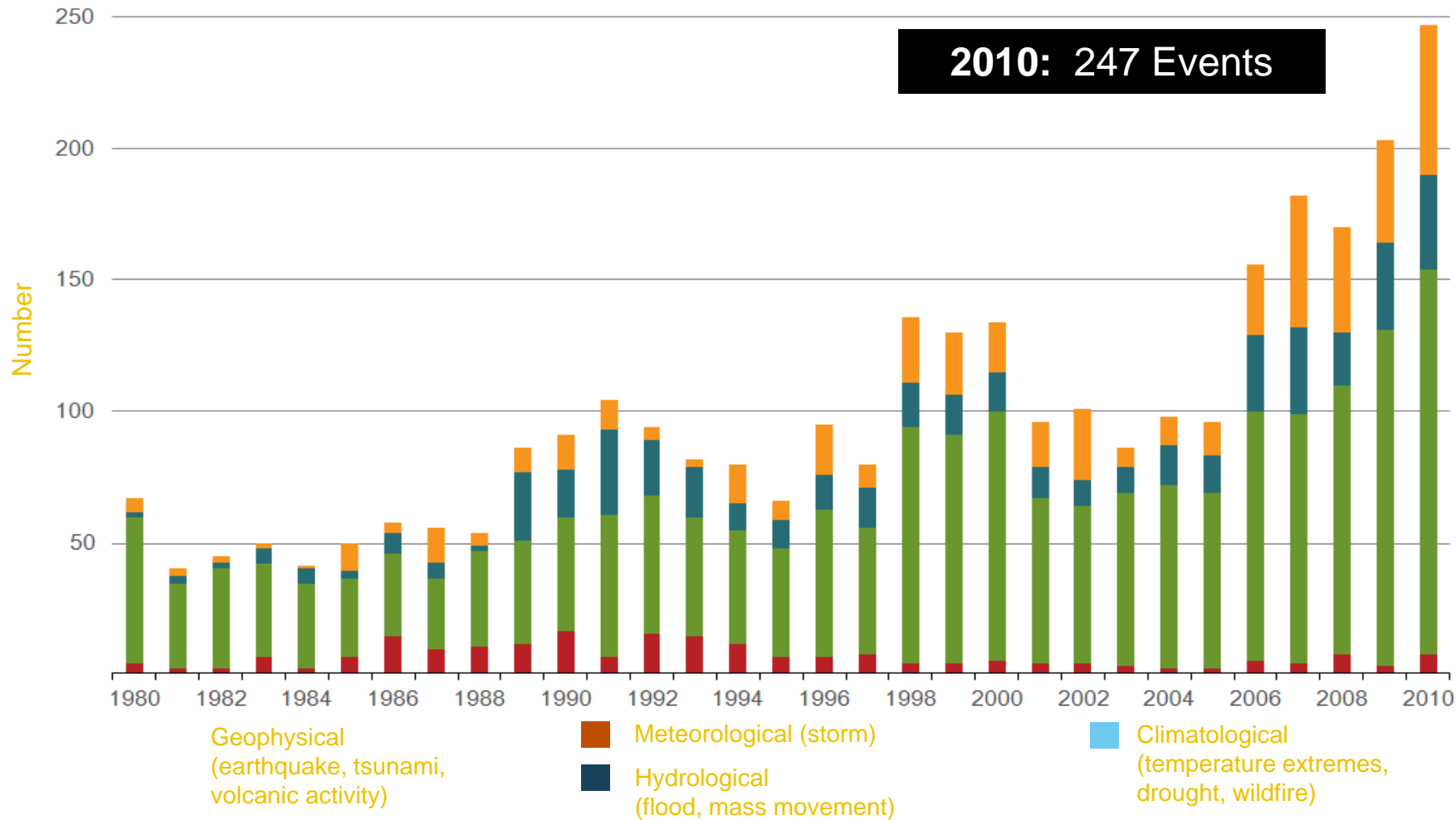


**8 of the 12 Most Expensive Disasters in US History  
Have Occurred Since 2004;  
8 of the Top 12 Disasters Affected FL**

# Natural Disasters in the United States, 1980 – 2010

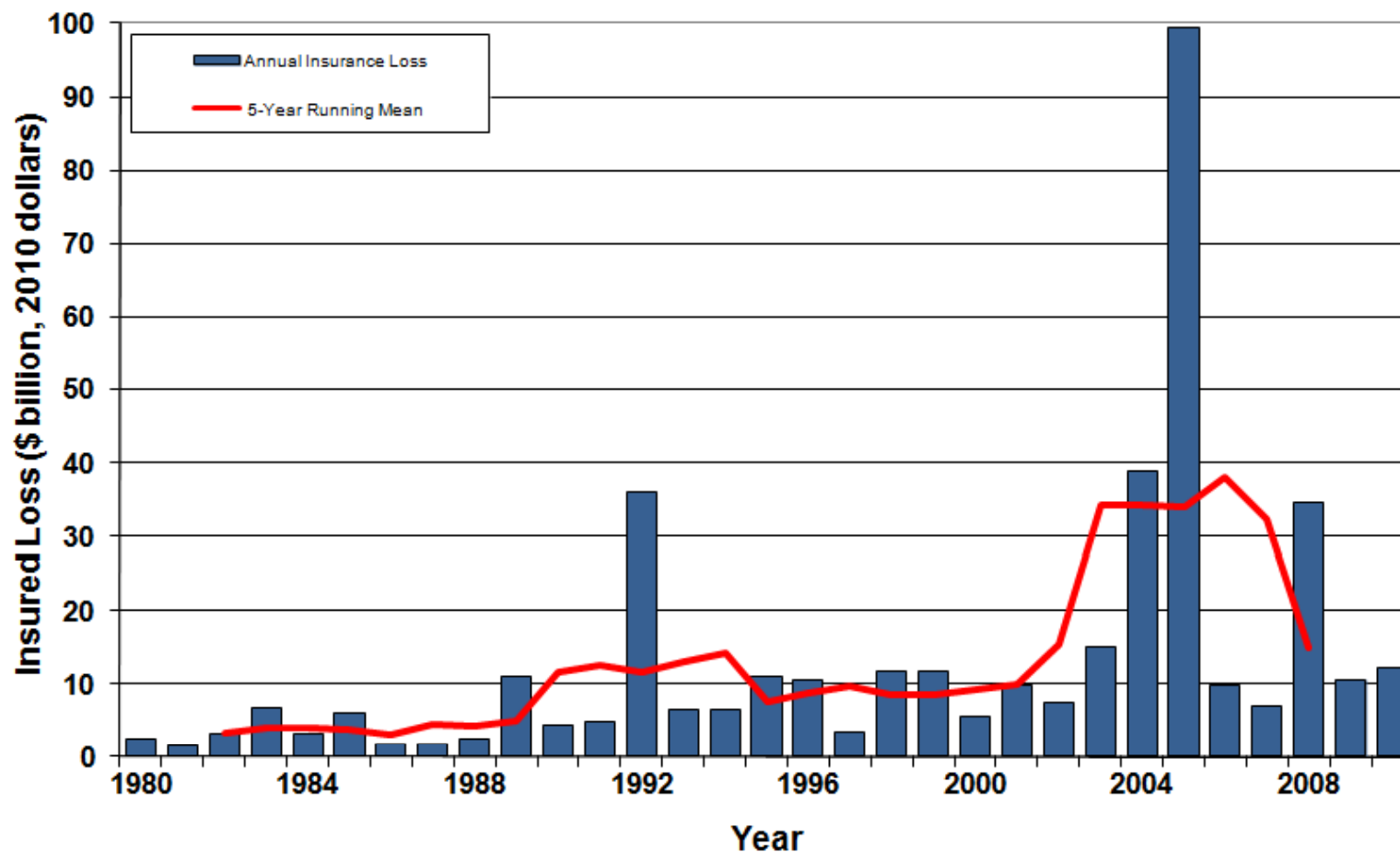
## Number of Events, Annual Totals

The number of events in the United States in 2010 set a new record.



## Insured Losses Due to Weather Perils in the U.S. 1980 – 2010 Tropical Cyclone, Thunderstorm, and Winter Storm only

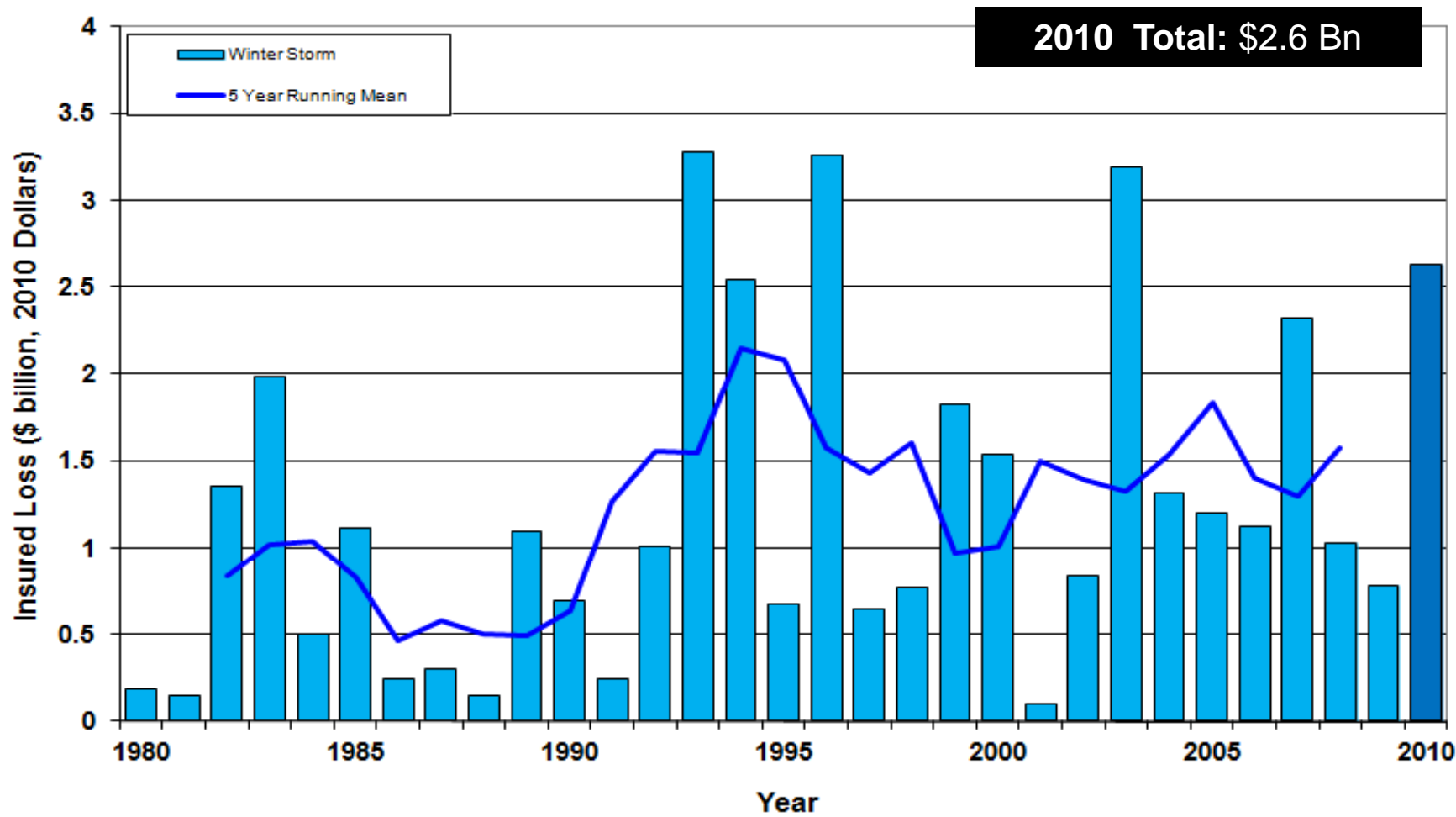
For the second year in a row, insured losses due to weather perils in the U.S. in 2010 were the highest on record for a year without a hurricane landfall.



# U.S. Winter Storm Loss Trends, 1980 – 2010

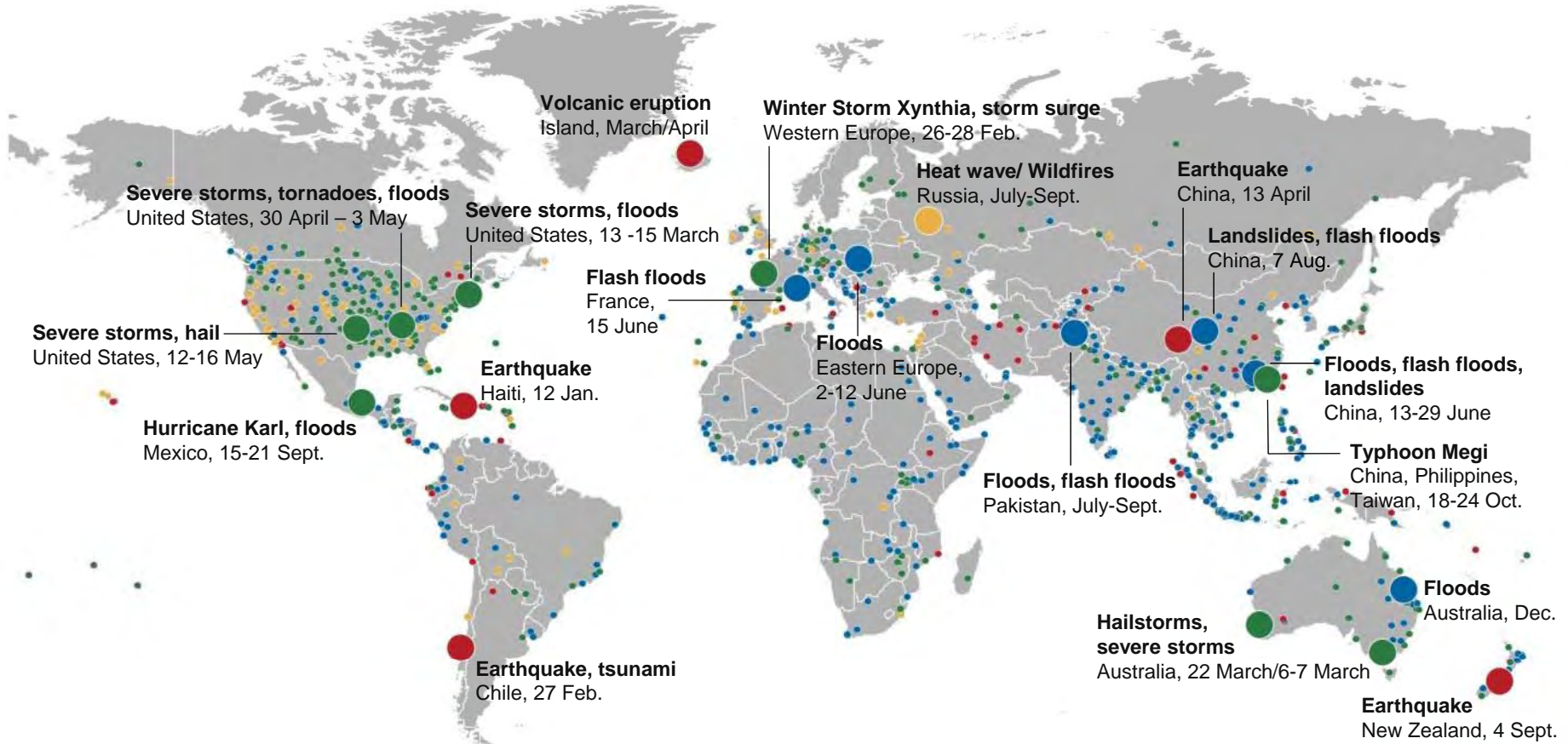
## Annual Totals

Insured winter storm losses in 2010 are one of the top five largest in U.S. history.



# Natural Catastrophes, 2010

950 loss events



- **Natural catastrophes**
- **Selection of significant loss events (see table)**
- **Geophysical events**  
(earthquake, tsunami, volcanic activity)
- **Meteorological events**  
(storm)
- **Hydrological events**  
(flood, mass movement)
- **Climatological events**  
(extreme temperature, drought, wildfire)

# Costliest Natural Catastrophes Since 1950

## Rank by insured losses - in values of 2010

Year	Event	Region	Insured loss US\$m, 2010 values
2005	Hurricane Katrina	USA	69,900
1992	Hurricane Andrew	USA	26,500
1994	EQ Northridge	USA	22,500
2008	Hurricane Ike	USA, Caribbean	18,700
2004	Hurricane Ivan	USA, Caribbean	16,000
2005	Hurricane Wilma	USA, Mexico	14,000
2005	Hurricane Rita	USA	13,500
1991	Typhoon Mireille	Japan	11,200
2004	Hurricane Charley	USA, Caribbean	9,250
1989	Hurricane Hugo	USA, Caribbean	9,000
1990	Winter Storm Daria	Europe	8,500
2010	Earthquake	Chile	8,000



## 3. Demographics & Disasters in the U.S.

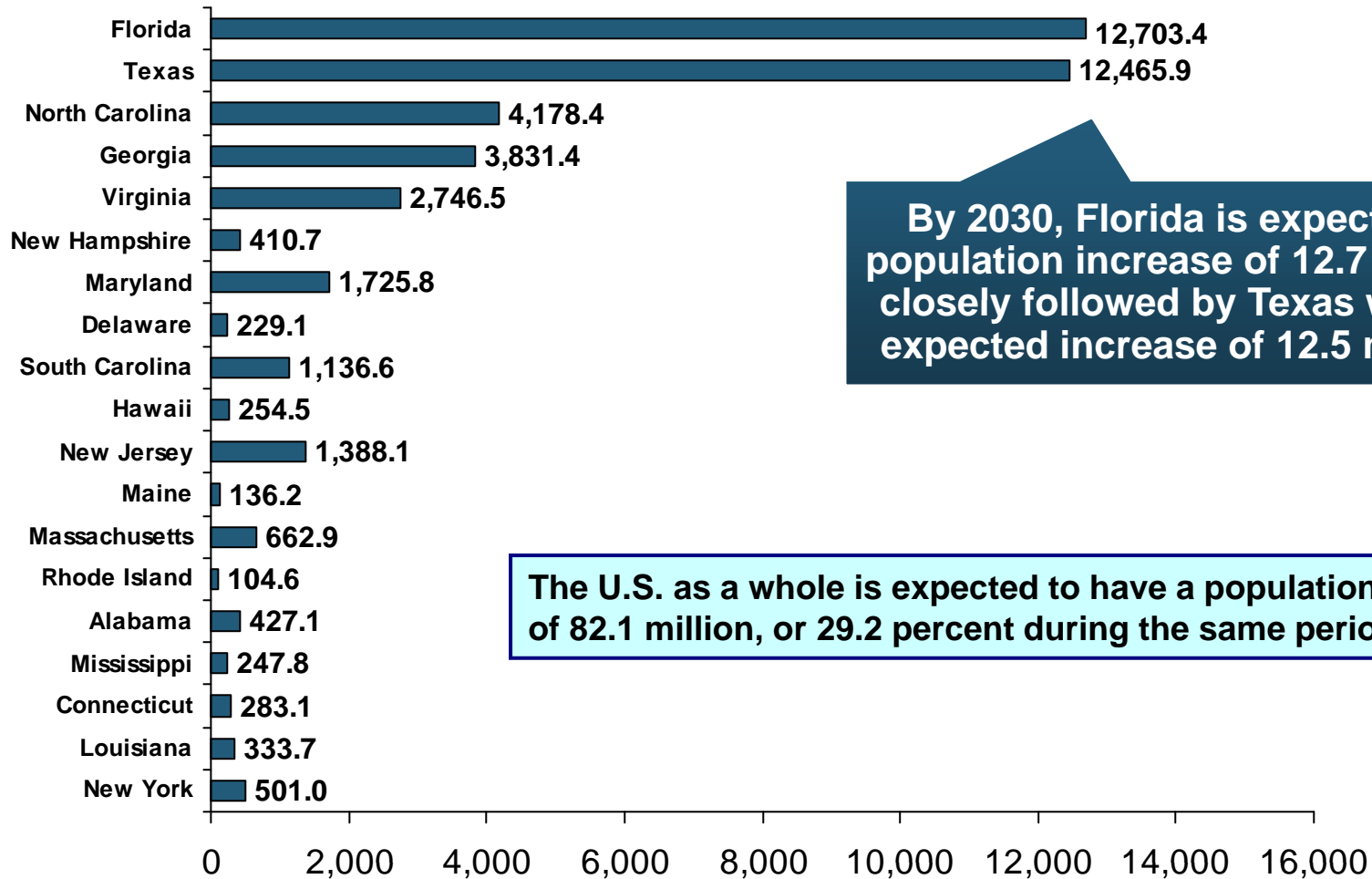
# There are more disasters, but the U.S. is moving into areas at highest risk

## We are moving into harm's way!

- Twenty-three of the 25 most densely populated areas are coastal. In 1960, an average of 187 people were living on each square mile of the U.S. coast, excluding Alaska. In 1994, the figure was 274 per square mile and it is expected to reach 327 people by 2015.
- The West coast is in the highest earthquake risk zone.
- The growth and concentration of property values in hurricane-prone areas has also led to the growth of residual markets for property insurance.



# Population Growth Projections for Hurricane Exposed States (2000 to 2030) (000)

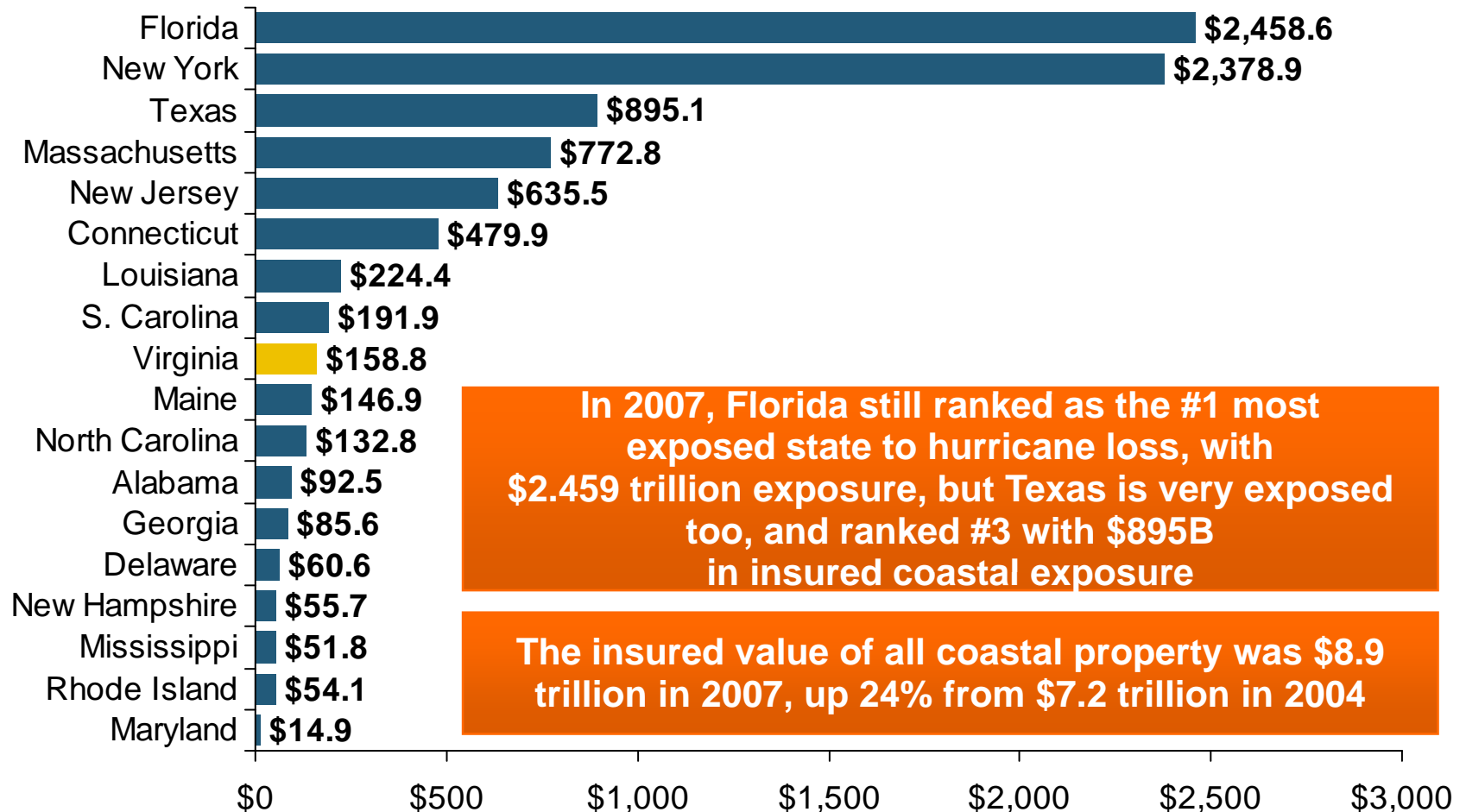


By 2030, Florida is expecting a population increase of 12.7 million, closely followed by Texas with an expected increase of 12.5 million.

The U.S. as a whole is expected to have a population increase of 82.1 million, or 29.2 percent during the same period.

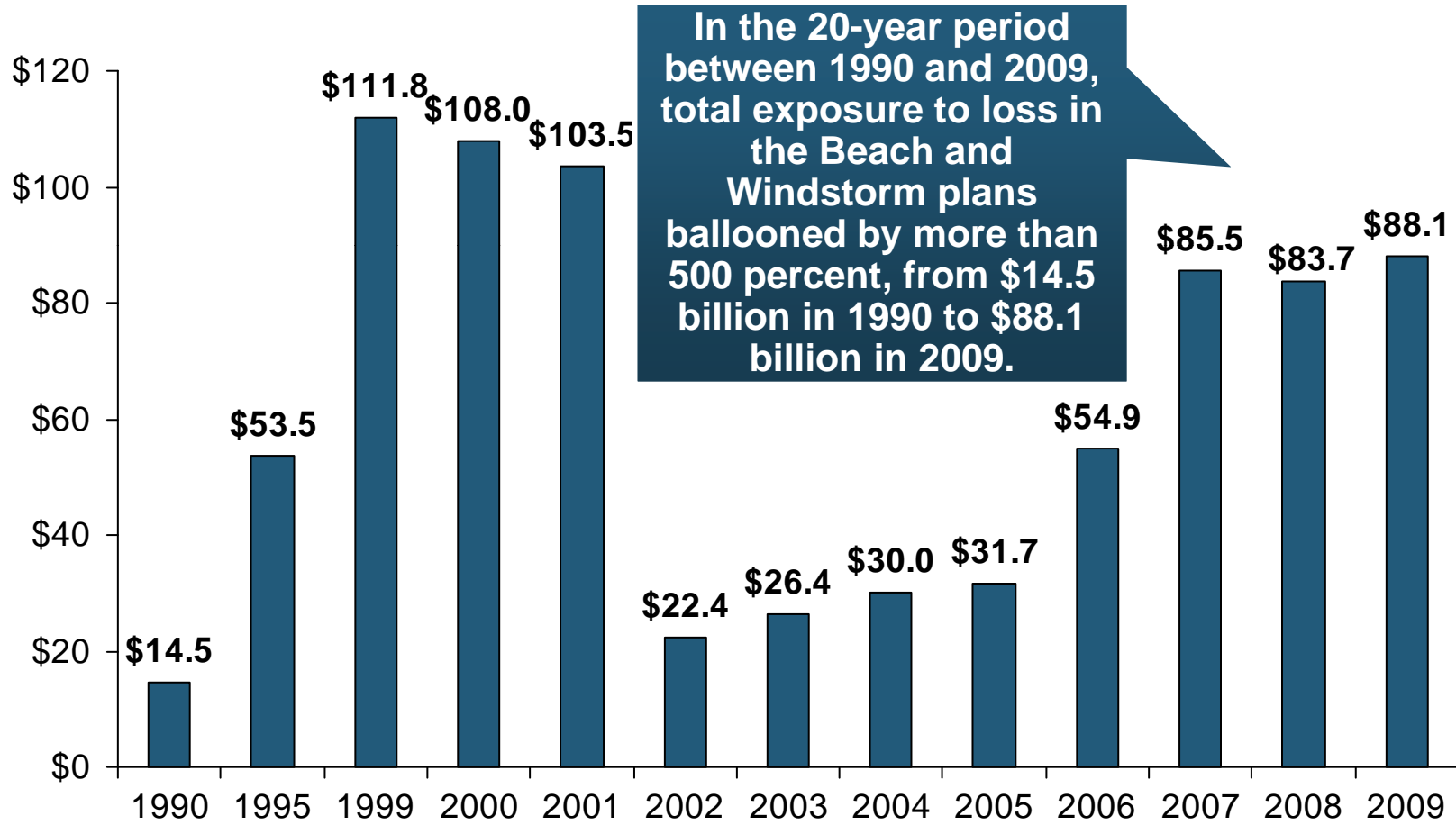
# Total Value of Insured Coastal Exposure

(2007, \$ Billions)

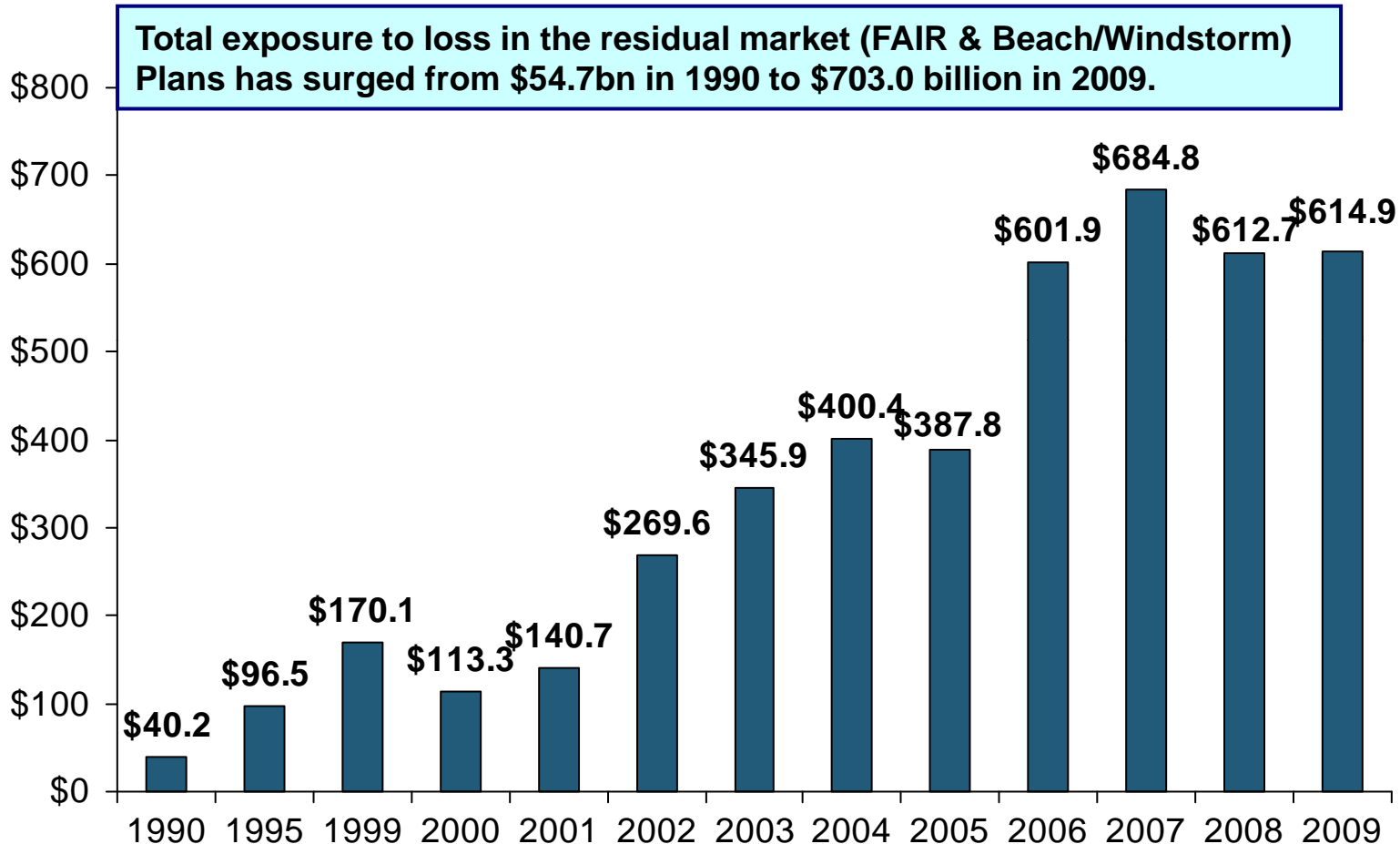


# U.S. Beach and Windstorm Plans Exposure to Loss (Billions of Dollars)

In 2002 Florida combined its Windstorm and Joint Underwriting Association to create Florida Citizens, so Florida data shifted to the FAIR plans from this date.



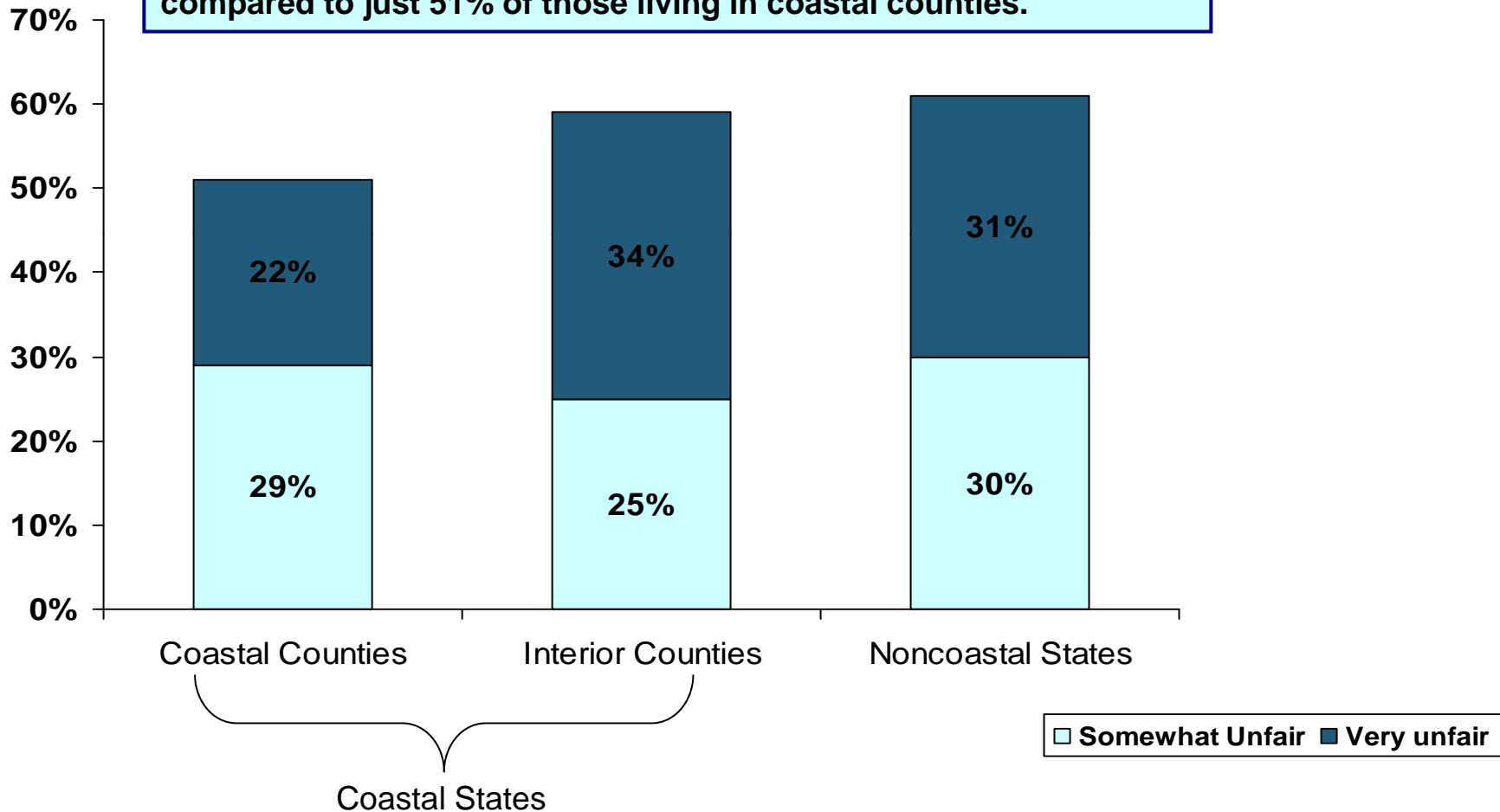
# U.S. FAIR Plans Exposure to Loss (Billions of Dollars)



**In the 20-year period between 1990 and 2009, total exposure to loss in the FAIR Plans has surged by a massive 1,430 percent from \$40.2 billion in 1990 to \$614.9 billion in 2009.**

# Public Attitude Monitor 2006: Unfairness of Taxpayer Subsidies

Some 59% of those living in interior counties and 61% in noncoastal states think taxpayer-subsidized insurance is unfair, compared to just 51% of those living in coastal counties.





## 4. Disaster Preparedness

# Develop an All-Risk Approach to Disaster Preparedness

## These are four key ways consumers can protect themselves for all disasters

1. Review your insurance before you need to file an insurance claim
2. Conduct a home inventory
3. Take steps to make your home disaster-resistant
4. Have an evacuation plan

# 1. Review your insurance before you need to file an insurance claim

- Everyone needs to have enough insurance to rebuild their home and replace all of their personal belongings.
- Find out what is and is not covered before you have a loss, and keep insurance up-to-date.
- Plan ahead for a hurricane deductible which exists in coastal states from Maine to Texas,
- Ask about flood and earthquake insurance.
- Those buying a home should understand know how much it will cost to insure a home before buying it.



## 2. Conduct a home inventory

- This is a detailed list of all your personal possession. It helps you:
  - Purchase the right amount of insurance
  - Identify specific items that may need a floater or endorsement.
  - File an insurance claim
  - Apply for disaster aid/or tax deductions for unreimbursed insurance losses.

# 3. Take steps to make your home disaster resident

- ◆ Residents need to understand the risks they face where they live and the steps necessary to save lives, reduce injuries and prevent property damage.
- ◆ The Institute for Business & Home Safety provides information on how to make structures safer. According to their research, it costs only \$3,000 to “fortify” a home against disasters.

## 4. Have an Evacuation Plan

- When a hurricane, wildfire is imminent, advanced planning really matters. Decide ahead of time where you will go and how you will get there, and have more than one option. If you have pets, contact your veterinarian for a list of preferred boarding kennels and facilities or ask your local animal shelter if they provide emergency shelter or foster care for pets. Also identify hotels or motels outside of your immediate area that accept pets. For more information see [Protecting Your Pet During a Disaster](#).
- The I.I.I. also recommends practicing your evacuation plan by doing a test run: giving yourself just 10 minutes to pack up your family, pets and important items and get out—possibly for good. For a video on the subject, see [Ten Minute Challenge](#).

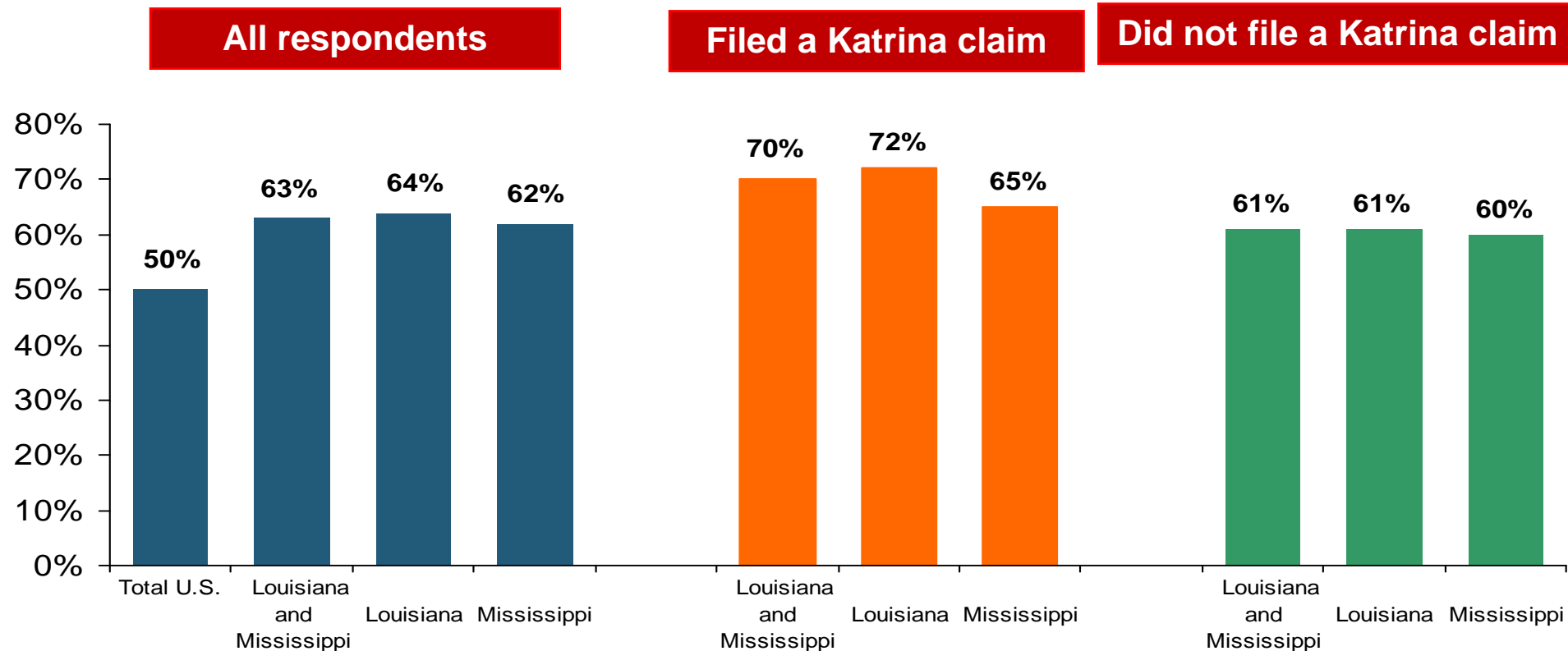


## 4. Current Level of Preparedness

# Consumer Poll: I.I.I. *Pulse* Survey

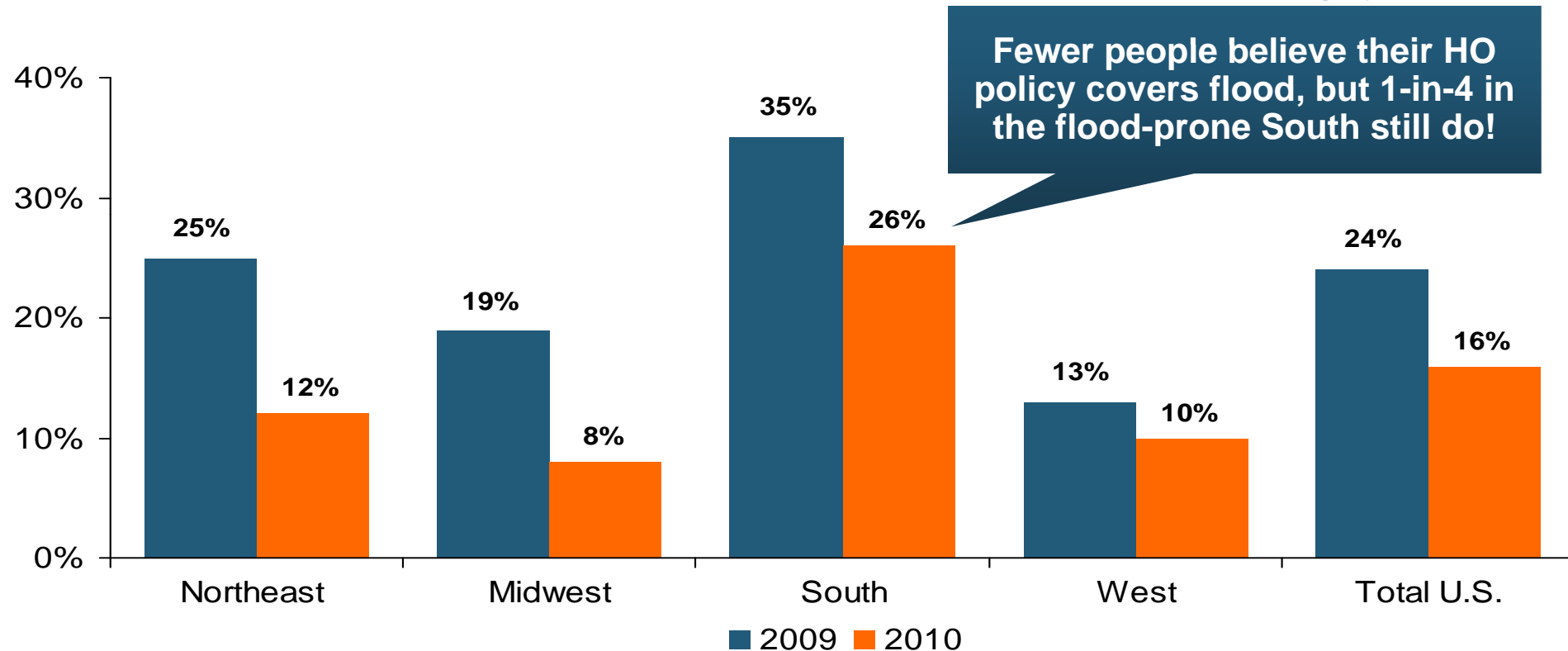
Q. Do you have an inventory of your possessions to help document losses to your insurer in case of a disaster?

**70% of Katrina Claimants Say They Have an Inventory of Their Possessions Compared with 50% of the Nation as a Whole**



# Consumer Poll: I.I.I. *Pulse* Survey

Q. Does your homeowners policy cover damage from flooding during a hurricane?  
(Asked of those who have homeowners insurance.) Respondents answering “yes”.

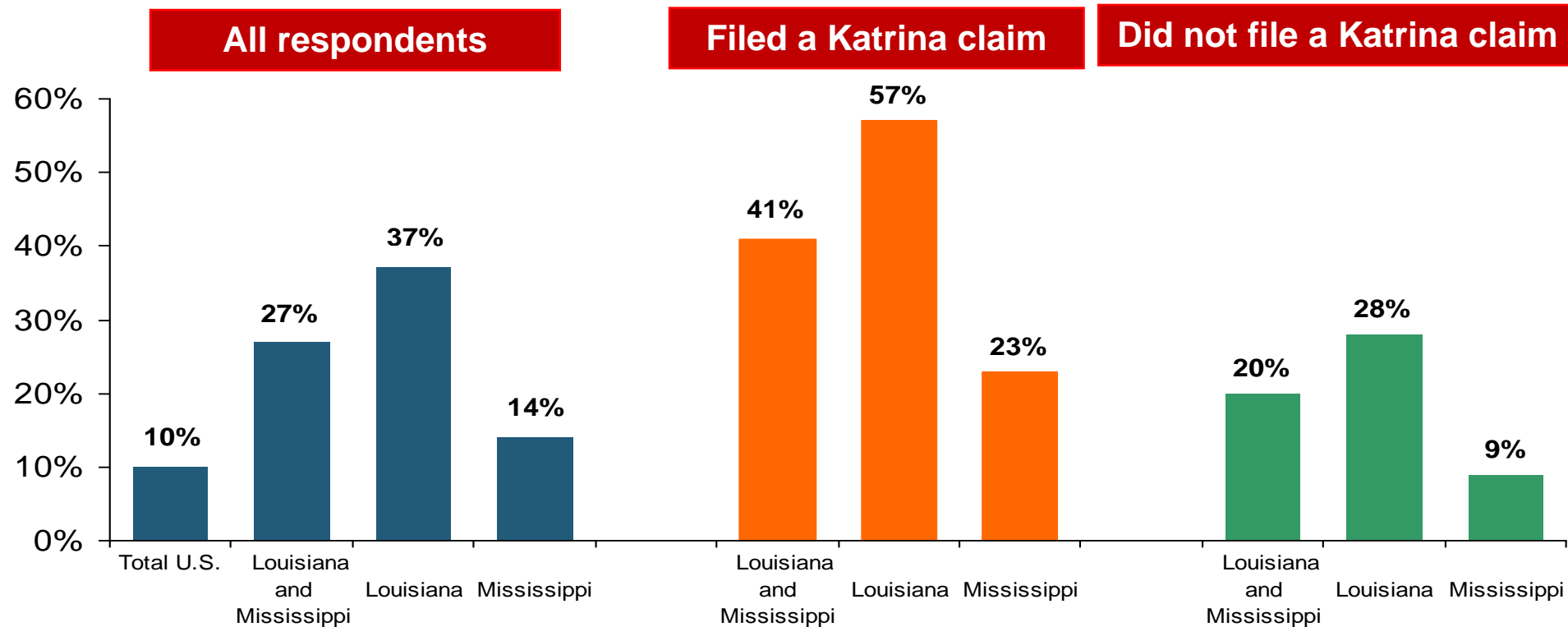


**16% of Americans Believe Their Homeowners Policy Covers Damage From Flooding During a Hurricane, Compared With 24% a Year Ago, Down Eight Points**

# Consumer Poll: I.I.I. *Pulse* Survey

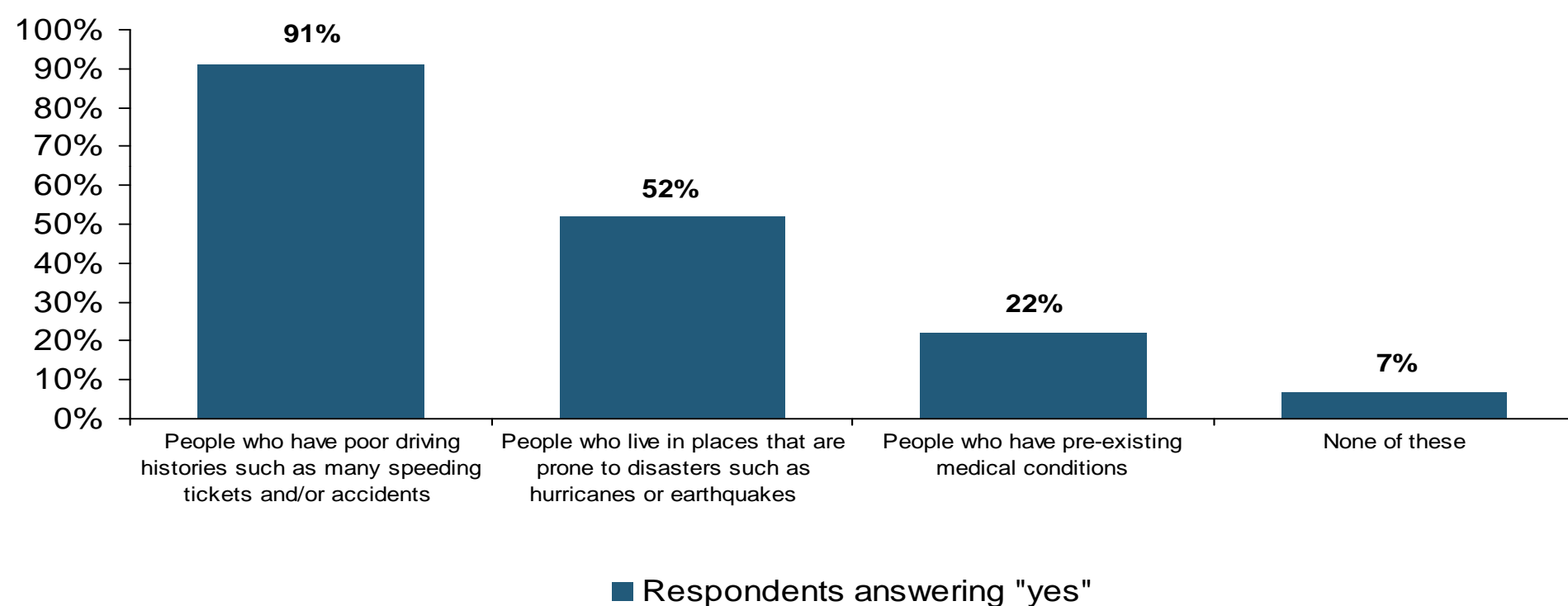
Q. Do you have a separate flood insurance policy?

**57% of Katrina Claimants in Louisiana and 23% in Mississippi Have a Flood Insurance Policy compared with 10% for the Nation as a Whole**



# Consumer Poll: I.I.I. *Pulse* Survey

**Q. Should insurance companies be allowed to charge higher insurance premiums for...**



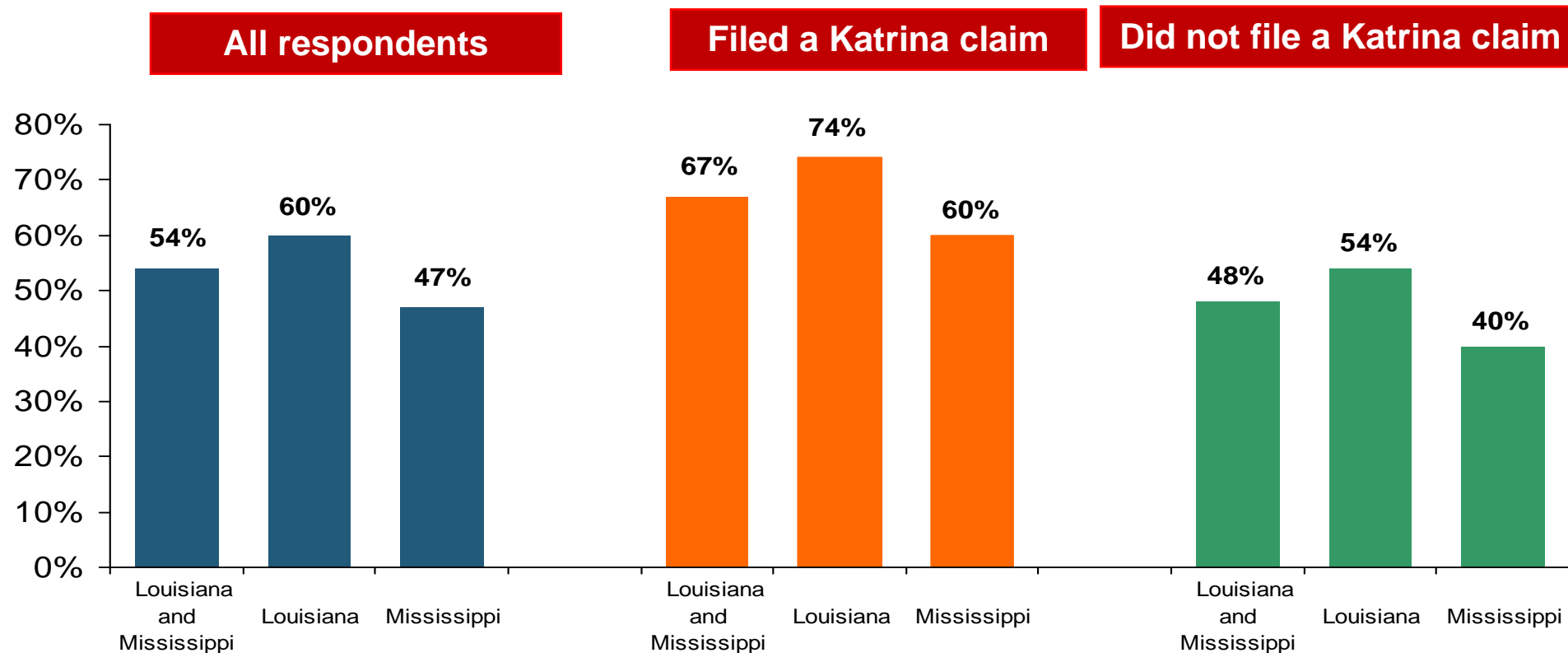
**Many People Believe the Cost of Insurance Should Reflect the Risks Over Which an Individual Has Some Control**



# Consumer Poll: I.I.I. *Pulse* Survey of LA and MS Residents

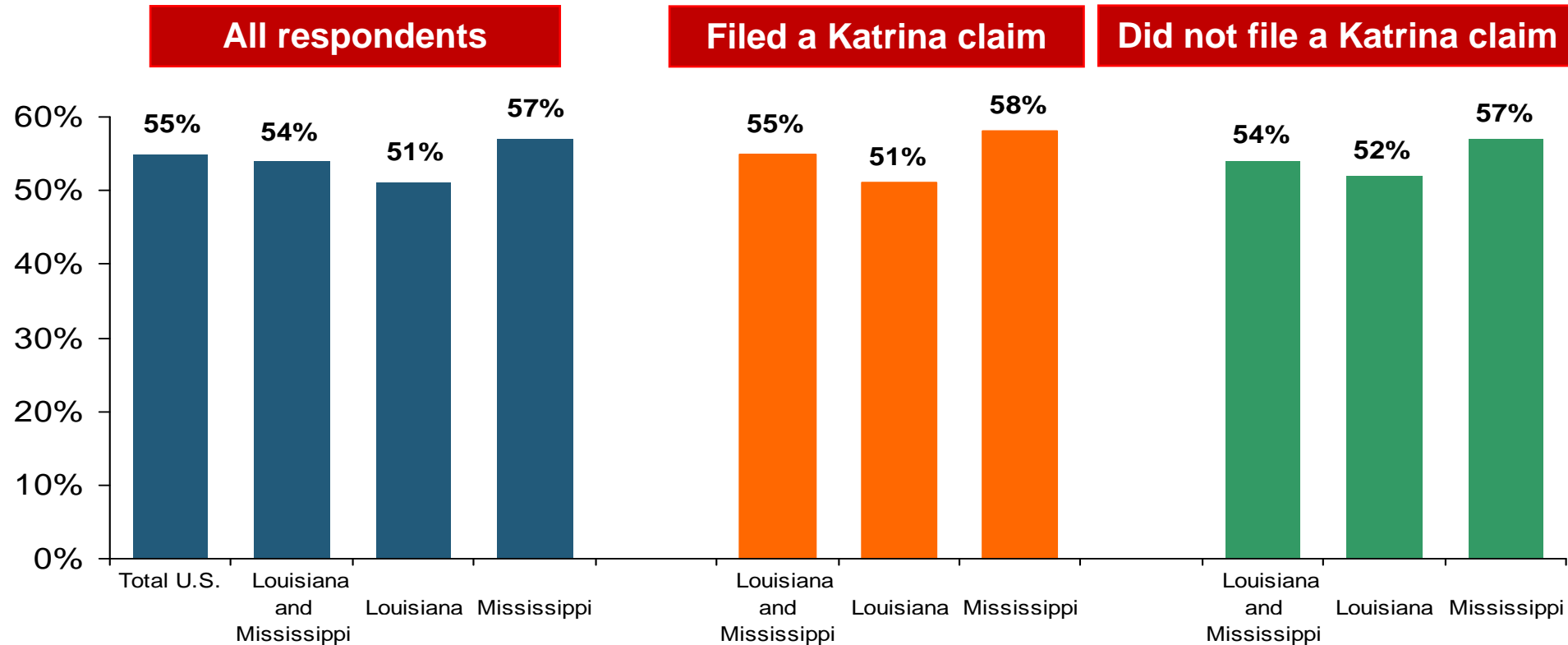
Q. Are you more prepared for a hurricane now than you were before Hurricane Katrina?  
(Note: Question not asked in the U.S. poll.)

**Katrina Claimants in Louisiana and Mississippi (67%) Say They Are More Prepared for a Hurricane Today Than Those Who Did Not File a Claim (48%)**



# Consumer Poll: I.I.I. *Pulse* Survey of LA and MS Residents

Q. Will the government pay for damage to your home that is not covered in your homeowner's policy?





# 6. Communications Challenges and Strategies

- Convincing the public that the risk of catastrophe is real, despite the lack of a major disaster in the last few years.
- The difficult economy may prompt some people to drop or reduce insurance coverage and not invest in both life saving and ultimately cost-effective mitigation.
- Lower housing values has created a number of “urban legends” about the amount of insurance needed to protect a home.
- Combat the notion, that disasters only happen to other people and that there is nothing that you can really do to protect yourself against a catastrophe.

- First, it is important to make consumers understand that it is not if there will be a disaster – it is when.
- Second, everyone should expect the unexpected and be prepared. (For instance, a recent tornado in Brooklyn or increasing amount of inland flooding)
- Provide consumers with the information they need so that they will know what needs to be done and give them the tools to know how to plan for a disaster.
- Use disasters as a news hook to get people to prepare in areas not directly effected by the catastrophe.

- Recognizing that changing behavior takes multiple approaches (learn from anti-smoking and drunk driving campaigns)
- Media, safety experts, consumer advocates all need to work together.
- Create different programs for different audience – children, elderly, parents will all need different approaches.
- Social media and other direct-to-consumer approaches are very affective.
- Fear is a great motivational tool, as well as pets and children.



## 7. I.I.I. Resources



MY iii

- subscriptions
- profile
- searches
- shopping cart

INSURANCE TOPICS

PRESS ROOM

MEMBERS+SUBSCRIBERS

PUBLICATIONS+STORE

SERVICES

Home |

## INSURANCE TOOLS

Our handy insurance tools are for consumers, media, and industry insiders.

- >> DIRECTORY
- 🔍 FIND AN INSURANCE COMPANY
- 📖 GLOSSARY OF INSURANCE TERMS
- 🚗 AUTO CRASH TEST

## EN ESPAÑOL

El Insurance Information Institute pone a su disposición los conceptos básicos necesarios para elegir y obtener protección para muchos de estos imprevistos que ponen en peligro la tranquilidad y las finanzas familiares.

[Temporada De Huracanes ¿Cómo Prepararse?](#)

[¿Qué Son Los Diferentes Tipos De Anualidades?](#)

[ALL COVERAGE EN ESPAÑOL](#)

## PUBLICATIONS

Now it's easy for you to find all of our publications. We have everything from free consumer brochures, pamphlets and books and even downloadable versions of our publications that you can get right now online.



## Insurance Handbook

A guide to the insurance industry for reporters, public policymakers.



WELCOME TO THE

# Insurance Information Institute:

improving public understanding of insurance—what it does and how it works.

Member Company? [REGISTER](#) | User? [SUBSCRIBE](#)



## iii spotlight

## Regulation Modernization

JULY 20, 2010 | [FULL STORY](#)

Congress has approved a sweeping overhaul of financial services regulation. The Dodd Frank Wall Street Reform and Consumer Protection Act establishes the Federal Insurance Office (FIO), an entity that will report to Congress and the President on the insurance industry. For a summary of the new law, see the I.I.I.'s background paper on Regulation Modernization.

CONSUMERS

[Making Sure Your Home Is Properly Covered for a Disaster](#)

## iii wire

## Before Installing a Swimming Pool, Consider the Insurance and Safety Implications

With temperatures soaring, a pool might seem like a good idea, but it is important to educate yourself about water safety first.

JULY 08, 2010 | [FULL STORY](#)

[As You Head Out for Vacation, Protect Your Home and Your Identity Against Burglars](#)

[NFIP Policies Cover Property Damage Caused by Oil in Flood Waters](#)

[Review Your Homeowners Policy For Hurricane Deductibles](#)

## blog > [TERMS+CONDITIONS](#)



[Buyers' Market Continues](#)  
JULY 20, 2010

[Financial Services Reform: Just the Beginning](#)  
JULY 19, 2010

[ALL BLOG POSTS](#)





HOMEOWNERS  
+ RENTERS



AUTO



LIFE



BUSINESS

SEARCH >

## Improving public understanding of insurance in Florida— what it does and how it works



### STRAIGHT TALK *Blogging about insurance in Florida*

[+](#) Share This Story



#### Sinkhole insurance and your options

AUGUST 16, 2010 |

Experts can predict the weather, but they can't predict **sinkholes**. We have more sinkholes in Florida than any other state, and some areas are more vulnerable to sinkholes, such as West Central Florida and Tampa Bay, and they open up when it is very dry or very wet. So, rainy season is hurricane season is sinkhole season.

[More](#)

### MORE FROM THE STRAIGHT TALK BLOG

- Consumers benefit in fight against auto insurance fraud | AUGUST 13, 2010
- Sinkholes Sinking Citizens Insurance | JULY 30, 2010
- Got new stuff? Update your home inventory | JULY 26, 2010

INSURING FLORIDA WIRE

### INSURANCE 101

#### Who regulates insurance companies?

Insurance is regulated by the states, with each state having its own set of statutes and rules. State insurance departments oversee insurer solvency, review market conduct, rule on requests for rate increases, among other things. Click on the link to learn more.

[FLORIDA OFFICE OF INSURANCE REGULATION](#)

### SOFTWARE



BUSINESS  
INVENTORY

#### Business Inventory Software

KNOW YOUR STUFF®  
BUSINESS INVENTORY

Online inventory software specifically designed for businesses.

[MORE](#)



HOME  
INVENTORY

#### Home Inventory Software

KNOW YOUR STUFF®  
HOME INVENTORY

Online software to help you create a room-by-room inventory

[MORE](#)

### I.I.I. VIDEO



#### Be A Responsible Dog Owner

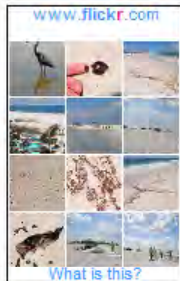
Dogs may be man's best friend, but as an owner you are liable if your pet bites someone. Learn more about dog liability insurance.



**Search**

- ### I.I.I. Links
- [I.I.I. Directory](#)
  - [I.I.I. Disaster Preparedness](#)
  - [I.I.I. Glossary](#)
  - [I.I.I. Issues Updates](#)
  - [I.I.I. Natural Disasters](#)
  - [I.I.I. Videos](#)

### Flickr



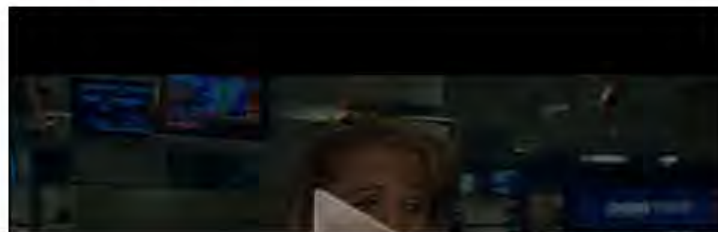
### Software



### CURRENT DISASTERS | FOURMILE CANYON WILDFIRE

September 10, 2010 at 6:57 pm - 0 Comments

## VIDEO: What Fire Victims Need to Know About Insurance



### Facts+Statistics

#### Crime

Each of the property crime categories tracked by the FBI dropped in 2009: motor vehicle theft (17.1 percent), larceny-theft (4.0 percent), and burglary (1.3 percent), according to the latest Uniform Crime Report.

For information [click here >>](#)

Facts and Stats:



## INSURANCE TOPICS

## Coverage

+ Business

+ Consumer

Disasters and Risks

Insurance Industry

Features

All Coverage En Español

## Insurance Coverage En Español

## CONSUMER

## ANNUITIES

- ¿Qué es una anualidad?
- Sección de ayuda: Preguntas y respuestas
- ¿Cómo, cuándo y por qué considerar una anualidad como parte del panorama financiero?
- ¿Qué son los diferentes tipos de anualidades?
- ¿Cuáles son las diferencias entre una anualidad fija y una variable?
- ¿Cómo y dónde se adquiere una anualidad?
- ¿En qué se diferencian las anualidades de los seguros de vida?
- ¿Cuánto se debe invertir en una anualidad?
- ¿Cómo recibir las distribuciones o pagos de las anualidades?
- ¿Que son las diferencias entre anualidades diferidas y anualidades inmediatas, y qué es una anualidad vitalicia?
- DEFINICIONES BÁSICAS DE ANUALIDADES

## AUTO INSURANCE

- ¿Cómo se hace un reclamo a su aseguradora de automoviles?
- ¿Cuáles son sus derechos cuando introduce un reclamo?
- ¿Cómo se determinan el valor y costo de reparación de su auto?
- ¿Puede su compañía de seguros requerirle el uso de cierto tipo de repuestos para reparar su auto?
- ¿Cuál es la diferencia entre una cancelación y la no renovación de una póliza?
- ¿Qué se incluye en un seguro de auto?
- ¿Qué factores influyen en el precio de una póliza de seguro de auto?
- ¿Se puede manejar legalmente sin seguro de auto?
- ¿Cómo influyen las leyes estatales de conducir a la hora de comprar seguro de auto?

Much of the consumer information on the site is also available in Spanish

# Free Web-based Software



INSURANCE INFORMATION INSTITUTE

## Know Your Stuff® HOME INVENTORY

Username (email):

Password:

[Forgot Password](#)

[2008 / 2009 KYS USER LOGIN](#)

[LOGIN](#)

### Welcome

to Know Your Stuff® – Home Inventory, the Insurance Information Institute's free online home inventory software. This application makes creating and updating your home inventory easy and efficient. And with our free, secure online storage you will have access to your inventory anywhere, any time. You never know when a disaster may strike, but you can be prepared with an up-to-date home inventory.



Sign Up

Are you a new user?

[START NOW](#)



### Guided Tour

Find out all about the features offered by Know Your Stuff® – Home Inventory and how to use them.

[VIEW](#) [Chat](#)



INSURANCE INFORMATION INSTITUTE

## Know Your Stuff® BUSINESS INVENTORY

Username (email):

Password:

[Forgot Password](#)

[LOGIN](#)

[SHARE](#)

### Welcome





to Know Your Stuff® Business Inventory, the Insurance Information Institute's online inventory software specifically designed for businesses. An up-to-date Business Inventory is an important component of disaster planning. It can help you:

- Purchase the right amount and type of insurance
- Substantiate property losses to make filing an insurance claim faster and easier

Know Your Stuff® – Business Inventory is a simple, affordable yet powerful and highly scalable application that makes creating, updating and keeping track of your business inventory easy and efficient. And with secure online storage you will have access to your inventory anywhere, any time.









- Only **\$9.95/ month**
- No hardware or support costs
- Hosted at Google and Integrated with Google Apps

		
<p><b>Facebook:</b> Follow the I.I.I. on Facebook and become a fan to stay connected on breaking news and current insurance topics. Post comments, share opinions and stories.</p>	<p><b>YouTube:</b> Watch online videos covering a wide range of insurance topics in the extensive I.I.I. video library. Post comments and embed videos to your company's website or blog.</p>	<p><b>Terms + Conditions blog:</b> Claire Wilkinson's insurance industry blog provides timely information and discussion on contemporary insurance topics.</p>
<p><a href="http://www.facebook.com/InsuranceInformationInstitute">http://www.facebook.com/InsuranceInformationInstitute</a></p>	<p><a href="http://www.youtube.com/user/iiivideo">http://www.youtube.com/user/iiivideo</a></p>	<p><a href="http://www.iii.org/insuranceindustryblog/">http://www.iii.org/insuranceindustryblog/</a></p>

		
<p><b>I.I.I. Insurance Matters website:</b> A site to help public policymakers better understand the unique role played by insurers in managing risk.</p>	<p><b>Insuring Florida website:</b> An informative site focusing on insurance matters specific to Florida. Includes Lynne McChristian's "StraightTalk" blog.</p>	<p><b>Twitter:</b> Follow one or all of the I.I.I. feeds to get timely information in your specific area of interest</p>
<p><a href="http://www.iii-insurancematters.org">http://www.iii-insurancematters.org</a></p>	<p><a href="http://www.insuringflorida.org/">http://www.insuringflorida.org/</a></p>	<p> <a href="http://www.twitter.com/IIIOrg">http://www.twitter.com/IIIOrg</a></p>

## Social Media Users/Traffic

- Facebook: +/- 300 likes
- Twitter: 1,560 followers
- YouTube: 392,224 total views
- T&C Blog: 4,045 page views in August 2010
- Insuring Florida blog: 159 page views in August 2010

	<p><a href="http://www.twitter.com/IIIOrg">http://www.twitter.com/IIIOrg</a></p>
	<p><a href="http://twitter.com/Bob_Hartwig">http://twitter.com/Bob_Hartwig</a></p>
	<p><a href="http://twitter.com/JeanneSalvatore">http://twitter.com/JeanneSalvatore</a></p>
	<p><a href="http://twitter.com/LWorters">http://twitter.com/LWorters</a></p>
	<p><a href="http://twitter.com/ElianneGo">http://twitter.com/ElianneGo</a></p>
	<p><a href="http://twitter.com/III_Research">http://twitter.com/III_Research</a></p>
	<p><a href="http://twitter.com/InsuringFLA">http://twitter.com/InsuringFLA</a></p>
	<p><a href="http://twitter.com/IIIindustryblog">http://twitter.com/IIIindustryblog</a></p>

# “Point of Use” Podcasts



File Edit Controls View Store Advanced Help

iTunes

information institute Search iTunes Store

Podcasts Video Podcasts News & Politics Insurance Information Institute Podcast Sign In

## Insurance Information Institute Podcast

webcast@multivu.com  
 Category: News & Politics  
 Language: English  
 Free

**WEBSITE**   
**REPORT A CONCERN**   
**TELL A FRIEND**

**LISTENERS ALSO SUBSCRIBED TO**

- Insurance Marketing Mavericks Podcast
- Insurance Insight
- International Insurance
- LexisNexis® Insurance Legal News Podcast
- This Week in Business Insurance

**PODCAST DESCRIPTION**  
 Insurance Information Institute Podcast

**CUSTOMER REVIEWS**  
 Be the first to write a review

Name	Time	Artist	Release Date	Description	Price
1 How to File An Insurance Claim P...		webcast@multivu.com	7/14/2008	When Disaster Strikes, Do You Know What ...	Free <input type="button" value="GET EPISODE"/>
2 When Disaster Strikes, Do You K...		webcast@multivu.com	7/7/2008	Imagine this. A big storm comes through in t...	Free <input type="button" value="GET EPISODE"/>





MY iii

- subscriptions
- profile
- searches
- shopping cart

INSURANCE TOPICS

PRESS ROOM

MEMBERS+SUBSCRIBERS

PUBLICATIONS+STORE

SERVICES

[Home](#) | [Insurance Topics](#) | [Coverage](#) | [Consumer](#) | [Homeowners and Renters Insurance](#)

## INSURANCE TOPICS

## Coverage

- + Business
- + Consumer

- Annuities
- Auto Insurance
- Claims Filing
- Credit
- Disability Insurance
- Health Insurance
- Homeowners and Renters Insurance
- Life Insurance
- Long-term Care Insurance
- Safety and Mitigation
- Specialty Insurance

## Disasters and Risks

## Insurance Industry

## Features

## All Coverage En Español

## I.I.I. Video - Homeowners and Renters Insurance

[EN ESPAÑOL](#) | [B-ROLLS](#) | [ALL VIDEOS](#)


### Ask an Insurance Question

Common questions about insurance relating to college students, rental cars, updating your policy and more.

[PLAY](#) | [GET EMBED CODE](#) | [YOUTUBE](#)


### Are You Underinsured?

Do you have enough insurance coverage to completely rebuild your home? Have you talked with your agent recently to update your policy? ... [Read More](#)

[PLAY](#) | [GET EMBED CODE](#) | [YOUTUBE](#)


### Avoiding Insurance Mistakes

Five big mistakes to avoid when making decisions about your insurance. I.I.I. offers tips on how to save money and still properly ... [Read More](#)

[PLAY](#) | [GET EMBED CODE](#) | [DOWNLOAD](#) | [YOUTUBE](#)


### Before Buying a Home

When it comes time to buy that dream house, the cost to insure it is often overlooked. The I.I.I. has created a checklist of important ... [Read More](#)

[PLAY](#) | [GET EMBED CODE](#) | [YOUTUBE](#)


### Childproofing Your Home

Every year, five million infants and children are injured, sometimes even fatally, in their own homes. Find out how to

<a href="#">AUTO CRASH TEST</a>	<a href="#">GLOSSARY</a>
<a href="#">DIRECTORIES</a>	<a href="#">FIND A COMPANY</a>

### I.I.I. SPOTLIGHT

#### Institute for Business & Home Safety Research Center



The Institute for Business & Home Safety has created a unique, state-of-the-art, multi-risk applied research and training facility in Chester County, South Carolina. This facility will significantly advance building science by

enabling researchers to more fully and accurately evaluate the impact of natural disasters on various residential and commercial construction materials and systems.

[FULL STORY](#)

### I.I.I. VIDEO

#### Avoiding Insurance Mistakes: Five Tips



Five big mistakes to avoid when making decisions about your insurance. I.I.I. offers tips on how to save money and still properly protect yourself.

[ALL VIDEOS](#)

### PRESENTATIONS



Dr. Robert P. Hartwig, CPCU

#### Workers Compensation Insurance: The Role of State Funds, Market Trends and Economic Influences

This PowerPoint report reviews the role that state funds play in the workers compensation insurance market, noting that social policy, history, economics, insurance market forces and politics have all played important roles in the development of modern workers comp systems, state funds and their structure.

### QUESTIONS? ASK THE EXPERT

In our Ask the Expert section we address your most taxing insurance-related questions.

### ASK A QUESTION

### SOFTWARE BUSINESS INVENTORY SOFTWARE





MY iii

- subscriptions
- searches
- profile
- shopping cart

INSURANCE TOPICS

PRESS ROOM

MEMBERS+SUBSCRIBERS

PUBLICATIONS+STORE

SERVICES

[Home](#) | [Insurance Topics](#) | [Coverage](#) | [Consumer](#) | [Homeowners and Renters Insurance](#)

## INSURANCE TOPICS

## Coverage

+ Business

+ Consumer

Annuities

Auto Insurance

Claims Filing

Credit

Disability Insurance

Health Insurance

Homeowners and Renters Insurance

Life Insurance

Long-term Care Insurance

Safety and Mitigation

Specialty Insurance

Disasters and Risks

Insurance Industry

Features

All Coverage En Español

## Homeowners and Renters Insurance

[EN ESPAÑOL](#)

### CONSUMER BASICS

- [What is homeowners insurance?](#)  
(ARTICLE)
- [What is in a standard homeowners insurance policy?](#)  
(ARTICLE)
- [Are there different types of policies?](#)  
(ARTICLE)
- [What type of insurance do I need for a co-op or condo?](#)  
(ARTICLE)
- [Does my homeowners insurance cover flooding?](#)  
(ARTICLE)
- [What type of disasters are covered?](#)  
(ARTICLE)
- [Can I own a home without homeowners insurance?](#)  
(ARTICLE)
- [Can I get insurance if I rent my home?](#)  
(ARTICLE)
- [How do I take a home inventory and why?](#)  
(ARTICLE)
- [What's the difference between cancellation and nonrenewal?](#)  
(ARTICLE)

### BUYING A POLICY

- [How much homeowners insurance do I need?](#)  
(ARTICLE)
- [Do I need special coverage for jewelry and other valuables?](#)  
(ARTICLE)
- [I'm installing a pool—what kind of insurance do I need?](#)  
(ARTICLE)
- [How do I pick an insurance company?](#)

### QUESTIONS?

#### ASK THE EXPERT

In our Ask the Expert section we address your most taxing insurance-related questions.

#### ASK A QUESTION

### SOFTWARE

#### BUSINESS INVENTORY SOFTWARE

<a href="#">AUTO CRASH TEST</a>	<a href="#">GLOSSARY</a>
<a href="#">DIRECTORIES</a>	<a href="#">FIND A COMPANY</a>

### I.I.I. SPOTLIGHT

#### Institute for Business & Home Safety Research Center



The Institute for Business & Home Safety has created a unique, state-of-the-art, multi-risk applied research and training facility in Chester County, South Carolina.

This facility will significantly advance building science by enabling researchers to more fully and accurately evaluate the impact of natural disasters on various residential and commercial construction materials and systems.

[FULL STORY](#)

### I.I.I. VIDEO

#### Avoiding Insurance Mistakes: Five Tips



Five big mistakes to avoid when making decisions about your insurance. I.I.I. offers tips on how to save money and still properly protect yourself.

[ALL VIDEOS](#)

### PRESENTATIONS



Dr. Robert P. Hartwig, CPCU

#### Workers Compensation Insurance: The Role of State Funds, Market Trends and Economic Influences

This PowerPoint report reviews the role that state funds play in the workers compensation insurance market, noting that social policy, history, economics, insurance market forces and politics have all played important roles in the development of modern workers comp systems, state funds and their structure.





MY iii

[subscriptions](#)
[profile](#)
[searches](#)
[shopping cart](#)

INSURANCE TOPICS

PRESS ROOM

MEMBERS+SUBSCRIBERS

PUBLICATIONS+STORE

SERVICES

[Home](#) | [Insurance Topics](#) | [Disasters and Risks](#) | [Natural Disasters](#)

## INSURANCE TOPICS

[Coverage](#) (+)

[Disasters and Risks](#) (-)

[Climate Change](#)
[Crime](#)
[Disaster Preparedness](#)
[Highway Safety](#)
[Litigation](#)
[Natural Disasters](#)
[Terrorism](#)
[Insurance Industry](#) (+)

[Features](#) (+)

[All Coverage En Español](#)

## SOFTWARE

## BUSINESS INVENTORY SOFTWARE

KNOW YOUR STUFF®  
BUSINESS INVENTORY  
Online inventory software  
specifically designed for  
businesses.

## HOME INVENTORY SOFTWARE

KNOW YOUR STUFF®  
BUSINESS INVENTORY  
Online inventory software  
specifically designed for  
businesses.

## UPDATES

[PRINT](#)
[EMAIL](#)
[DOWNLOAD PDF](#)

## Catastrophes: Insurance Issues

## THE TOPIC

OCTOBER 2010

The term “catastrophe” in the property insurance industry denotes a natural or man-made disaster that is unusually severe. An event is designated a catastrophe by the industry when claims are expected to reach a certain dollar threshold, currently set at \$25 million, and more than a certain number of policyholders and insurance companies are affected.

Most major hurricane forecasters have predicted an active hurricane season in 2010, with more storms and more severe storms than average.

Meteorologists say that ocean temperatures and other conditions are very conducive to hurricane formation even though the season got off to a slow start with just three storms as of mid-August. Activity has picked up since then and by the end of September, the season had produced 13 storms, of which seven were hurricanes.

Even though no major hurricanes hit the U.S. mainland in 2009, catastrophe losses still totaled \$10.8 billion, according to ISO’s Property Claim Service unit (PCS), due in part to the large number of damaging thunderstorms. By contrast, insured catastrophe losses for 2008 totaled \$27.0 billion. While this does not come close to the \$62.3 billion for 2005, the year of hurricanes Katrina and Rita, it was the third most costly in the last decade. Losses for 2007, also a year of little hurricane activity in the U.S., were \$6.5 billion.

Meanwhile, the magnitude of the damage caused by Katrina and the potential damage hurricanes Rita and Wilma might have caused had they not weakened from intense Category 5 hurricanes is still reverberating, five years later. Many insurers have reduced the number of policyholders they insure in high-risk areas and added hurricane deductibles to property

[AUTO CRASH TEST](#)
[GLOSSARY](#)
[DIRECTORIES](#)
[FIND A COMPANY](#)

## Insurance Information Institute Online

[www.iii.org](http://www.iii.org)

*Thank you for your time  
and your attention!*

*Download at [www.iii.org/presentations](http://www.iii.org/presentations)*

**<http://twitter.com/JeanneSalvatore>**

