

Earthquakes! Lightning! Do You Know What You're Insured Against?

(NAPSA)—*Who knew?* Apparently not a large chunk of Americans when it comes to what is and isn't covered by their home insurance—and that could prove costly even as they try to get their overall finances in shape after the Great Recession.

So deep is the “knowledge gap” found in a new “Insurance Literacy” survey conducted for MetLife Auto & Home by Zogby International that more than 57 percent of respondents either weren't sure, or erroneously believed, that they'd be covered under a standard policy were their houses, condos or rental apartments demolished by an earthquake or volcanic eruption.

On the flip side, if the decimation were instead caused by lightning, more than 24 percent either mistakenly thought they weren't covered or weren't sure.

“At a time when people are working hard to save more and spend less, many Americans are leaving themselves open to costly surprises by not fully understanding their policies,” said Bill Moore, president of MetLife Auto & Home.

Want to see how you stack up?

The following questions are based on the Insurance Literacy survey. And since the answers are also included below, there's an added bonus: First, some insight on how to protect yourself from expensive gaps in your own coverage. And second—and this may shock you—the chance to save money by discovering things you never dreamed you were already insured against.

1. If your home is unoccupied for a long time, could your insurance be affected, even if you pay the bills?

A. No, as long as you've got the cancelled checks.

B. Possibly—if, for example, your home suffered damages from freezing and you'd neglected to



You may be insured against more troubles than you know.

take reasonable precautions to keep it heated or the pipes drained.

2. Is your insurance policy based on the cost to rebuild or your home's market value?

A. Rebuilding cost.

B. Market value.

3. If your children are living on campus while attending college, must you pay for additional coverage for their personal property?

A. Yes, as long as you still claim them as a dependent come tax time.

B. No, they're covered under the standard homeowner's contract.

4. If a fire destroys your personal belongings, are you covered for the full replacement cost?

A. No, depreciation is always factored in.

B. Maybe, if your policy provides replacement coverage that doesn't deduct for depreciation.

You can see all the questions and answers by visiting www.metlife.com/insurancequiz. Oh, and for those still wondering, you do need to get a separate policy to cover earthquakes and volcanoes. Lightning, however, is covered in the standard contract.

Answers: (1)B; (2)A; (3)B; (4)B.