



# Consumer Advocacy and Medicare Update

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Office of Consumer Advocacy

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Commissioner of Insurance

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Our monthly newsletter addresses consumer insurance topics as well as timely information on issues affecting senior citizens in Louisiana.



Chateau St. James Rehab & Retirement - Senior Health Expo 2014  
Date: July 10, 2014  
Time: 1:30 p.m.  
Location: Chateau St. James Dining Hall  
1980 Jefferson Hwy., Litcher, LA

LASERS - Retiree Workshop  
Date: July 16, 2014  
Time: 9:00 a.m.  
Location: Louisiana Retirement Systems Building  
8401 United Plaza Blvd., Baton Rouge, LA

Councilwoman Ronnie Edwards (District 5) Community Meeting  
Date: July 22, 2014  
Time: 12:00 p.m.  
Location: United Christian Faith Church  
9229 N. Ridge Drive, Baton Rouge, LA

## Fire Safety Tips for July 4th

With the Fourth of July right around the corner, here are some tips on how to have a safe cookout to ensure the protection of your friends, family, and home. Depending on the type of grill you choose to use, there are also some specific safety tips to keep in mind:

### Charcoal grills:

- There are several ways to get the charcoal ready to use. Charcoal chimney starters allow you to start the charcoal using newspaper as a fuel.
- If you use a starter fluid, use only charcoal starter fluid. Never add charcoal fluid or any other flammable liquids to the fire. Do not use gasoline.
- Keep charcoal fluid out of the reach of children and away from heat sources.
- There are also electric charcoal starters, which do not use fire. Be sure to use an extension cord for outdoor use.
- When you are finished grilling, let the coals completely cool before disposing in a metal container.

### Propane grills:

- Check the gas tank hose for leaks before using it for the first time each year.
- Apply a light soap and water solution to the hose. A propane leak will release bubbles.
- If your grill has a gas leak, and there is no flame, turn off the gas tank and grill.
- If the leak stops, get the grill serviced by a professional before using it again. If the leak does not stop, call the fire department.
- If you smell gas while cooking, immediately get away from the grill and call the fire department. Do not move the grill.

Lastly, keep your grill clean. Remove any grease or fat buildup from the grill and in trays below the grill. Keeping your grill clean and following the above safety tips will help ensure a fun and successful Fourth of July cookout!

## Is an Annuity Right for You?

An annuity is a contract in which an insurance company agrees to make a series of payments in return for a premium (or premiums) that you have paid. Many people purchase them so they will have a regular source of income after they retire. An annuity is an investment and shouldn't be used to reach a short-term financial goal.

If you have questions regarding retirement planning, you should consult a reputable financial planner to make sure you are on target to meet your goals, or contact a licensed agent or broker to be sure an annuity is the right choice for your financial future.

St. Tammany Council  
on Aging - Senior  
Resource Festival  
Date: July 24, 2014  
Time: 9:00 a.m.  
Location: Castine  
Center  
63350 Pelican Drive,  
Mandeville, LA

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There are several types of annuities, all of which carry varying levels of risk and guarantees. To find the annuity that will best suit your needs, it is important to know the difference between each and the benefits offered.

- **Single Premium Annuity:** You pay the insurance company only once.
- **Multiple Premium Annuity:** You pay the insurance company multiple payments.
- **Immediate Annuity:** You will begin to receive income payments no later than one year after you pay the premium.
- **Deferred Annuity:** After the initial savings phase, you receive income payments once you choose to receive them.
- **Fixed Annuity:** Your money, minus any applicable charges, earns interest at rates specified in your contract.
- **Variable Annuity:** The insurance company invests your money, minus any applicable charges, into a separate account based upon the amount of risk you want to take. The money can be invested in stocks, bonds, or other investments.
- **Equity-Indexed Annuity:** A variation of a fixed annuity in which the interest rate is based on an outside index, such as a stock market index. The annuity pays a base return, but it may be higher if the index increases.

### Purchasing an Annuity

As with other major purchases, it's a good idea to shop around and compare information for similar products from several companies. While you do your research, keep detailed records and get all quotes and key information in writing.

When you are ready to purchase an annuity, carefully review the contract with your agent or broker. Ask for an explanation of anything that you don't understand. Be sure you are aware of all of the terms and conditions such as surrender charges and/or cancellation penalties.

If you want to check if an agent or company is licensed in Louisiana, you can do so online at [www.lldi.la.gov](http://www.lldi.la.gov) or call the Louisiana Department of Insurance at 1-800-259-5300.

## I Bought a New Car. Now What?

Your auto insurance premium can vary greatly depending on the type of vehicle and amount of coverage you choose. When shopping for auto insurance, premium quotes are a useful tool for comparison of different companies' products. There are many factors that determine what you pay for auto insurance. One factor is underwriting. This involves insurance companies assessing the risks associated with an applicant. Another factor is rating. The rating assigns a price based on what the insurer believes it will cost to assume the financial responsibility for the applicant's potential claim. You can see how automobile insurance rates vary depending on a driver's age, coverage and where they live on our online [automobile insurance rate guide](#).

A recent National Association of Insurance Commissioners (NAIC) survey suggests that after an accident, many Americans do not know what information they should share with the other driver. In most cases you need only provide your name and vehicle insurance information, which should include the name and phone number of your insurance provider. Sharing personal information such as your address and phone number may put your privacy and identity at risk. However, if another driver is unable

to provide vehicle ownership and/or insurance information it is appropriate to ask for their phone number, address and driver's license number.

What information to share is not the only the drivers are unsure about. The NAIC survey also found that nearly 20 percent of respondents believe the only reason to call police after an accident is if someone is injured. However, filing a police report can help facilitate the insurance claims process.

To take some of the guesswork out of a tense situation, the NAIC developed [WreckCheck™](#). This free mobile app for iPhone® and Android® smartphones outlines what to do immediately following an accident and walks users through a step-by-step process to create their own accident report. The app directs them to capture photos and helps document and share only what is necessary to file an insurance claim. Users can even email their completed reports to themselves and their insurance agents.

If you do not own a smartphone, the NAIC also has a [printable accident checklist](#) you can use that includes other tips for staying calm, safe, and smart on the road.

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