I want to look into getting renter's insurance. Where do I start?

Shop around for the policy that meets your needs at the best price. If you have car insurance, that company may be a good place to start because most companies give discounts for holding multiple policies. But remember to shop around to several companies.

When shopping ask about contents coverage, replacement value coverage, living expense coverage, liability and theft, deductibles, discounts and what is not covered.

Why should I take a home inventory?

A home inventory provides a comprehensive look at your possessions and can help make the process of filing a claim go smoother. It can also provide you with a good idea of how much insurance coverage you need. The National Association of Insurance Commissioners' Home Inventory Application is available on smartphones and you can find more information on the ScrApp.book on their webpage, www.insureuonline.org.

How do I file a claim on my renter's insurance?

When you call your insurance company or agent about your claim, keep a record of the conversation, including the person's name and the date and time of the call. The company will then submit a loss form and an adjuster will be assigned to your claim. If you are unable to stay in your home, let your insurance company or agent know where you can be reached.

How can the Department of Insurance help me?

If you believe the insurance company has improperly handled your policy or claim, you should speak with your agent or adjuster first then complain if necessary. Many times a mistake has been made that can be corrected when you call. If you do not receive a satisfactory response from the agent or adjuster, you may seek help from the Department of Insurance by calling 1-800-259-5300, filing a complaint online at www.ldi.la.gov or emailing us at public@ldi.la.gov.

This public document was created by the Louisiana Department of Insurance and is available online.

Do you rent your home?

Answers to your questions about renters insurance

Louisiana Department of Insurance
James J. Donelon, Commissioner

Why would I need renters insurance?

If you rent a house or apartment that is damaged by fire and smoke, vandalism, wind and hail or water damage from plumbing problems, your landlord's insurance would only protect the building and the landlord's property. Your landlord's policy would not protect any of your personal property from damage or theft.

Renters insurance covers your personal property if it is damaged or stolen and protects you from liability if an accident happens in your home. It may also pay your temporary living expenses if an emergency forces you to leave your home.

Remember being in an apartment that shares common walls with other residences gives you limited control over your exposure to fire, water and other types of damage that can spread from one part of the building to another.

Ask yourself

Can I afford to lose everything I own?

Is renters insurance worth paying the premium?

Renters insurance is not very expensive and is typically available for as little as $100 a year.

Ask yourself whether you could afford to replace all of your furniture, electronics, clothing, housewares, linens, books and jewelry. If you have a family, consider all of the toys and personal belongings that they would want replaced.

What exactly does renters insurance cover?

There are two standard renter's insurance policies, the Broad Form and the Comprehensive Form.

The Broad Form is the most commonly purchased type of renter's policy. It covers personal belongings against specific events, such as fire or theft. Typical coverage under this form includes damage from fire, lightning, explosion, smoke, vandalism, theft and water-related damage from property utilities.

The Comprehensive Form provides coverage for a range of events, unless specifically excluded by the policy. Considering the potential amount of coverage, the premiums for this policy may be higher.

Location may be a consideration when choosing your form. If you live in an area prone to violent storms, such as hurricanes, consider purchasing a comprehensive policy that specifically addresses storm damage.

Are there any additional coverages I should consider?

Actual Cash Value vs. Replacement Cost

Actual cash value coverage will reimburse you for the cost of the property at the time of the claim with depreciation, minus your deductible. Replacement cost coverage will reimburse you the full value of a newly purchased replacement of the property.

Renters policies normally pay only the actual cash value of your losses, but replacement coverage is available. While the up-front cost for replacement coverage is greater, you are more likely to receive accurate compensation for your belongings.

Flood Insurance

Like homeowners policies, renters policies do not provide protection from flooding. It is recommended that anyone who has a ground floor residence in Louisiana should consider buying a flood insurance policy from the National Flood Insurance Program (NFIP). For more information visit www.floodsmart.gov.

Insurance Riders

If you have unusually expensive items like fine jewelry or antiques, you may want to consider adding a 'rider' to provide extra coverage. Your agent can help you determine if a rider is needed.

Does everyone need renters insurance?

If a college student living away from home is a dependent under their parent's insurance coverage, their personal belongings may be covered in the event of a covered loss. Check with your insurance company to see if the coverage extends to a dependent living away at school.

If you have non-relative roommates, it is best for all occupants to be on the same policy. However, it is possible for each occupant to purchase his or her own coverage. If you do decide to get insurance alone, remember that only you will receive the security of coverage.

Renters insurance may help reduce the financial and emotional hardship of a fire, theft, natural disaster or accident that affects your home.