

## Tips for Saving on Homeowners Insurance

Homeowners [insurance](#) is designed to protect your home and personal property (the stuff in your home) in the event of unexpected losses due to fire, disaster (but not flooding!), vandalism, theft, and more. It also offers protection if someone is injured on your property.

Here are some tips to save on homeowners insurance:

- **Shop Around** - Compare prices and [policies](#) from several insurance companies. The [premiums](#) charged for homeowners insurance vary widely from company to company. It pays to take the time to shop around for the best possible value.
- **Combine Auto with Property Insurance** - Many insurance companies give you a discount for carrying two or more policies with them. Consider combining your home and auto insurance with the same company.
- **Consider Actual Cash Value versus Replacement Cost Coverage** - Consider the difference between “actual cash value” versus “replacement cost” [coverage](#) when shopping for homeowners insurance.
  - Actual cash value coverage will reimburse you for the cost of the property at the time of the claim taking into account depreciation, minus your [deductible](#). **It is important to account for depreciation when considering this coverage option.** This may result in a lower claim payment than you expect.
  - [Replacement cost coverage](#) will reimburse the full value of the damaged property, generally after you purchase the new item and submit your receipts. While the upfront cost is greater, you are more likely to receive accurate compensation for your possessions.
- **Increase Your Deductible** - The deductible is the amount you must pay [out-of-pocket](#) before the insurance policy pays on a claim. Increasing your deductible will likely lower your premium.
- **Maintain Good Credit** - Most insurance companies use some credit information to price homeowners insurance policies. Protect your credit standing by paying bills on time and keeping your credit balances low. Check your [credit report](#) regularly and promptly correct any errors.
- **Install Safety/Security Devices** - Smoke detectors, alarm systems, fire extinguishers, and deadbolt locks may help prevent or minimize property damage or loss. Some companies provide discounts for these security measures. Always report home security improvements to your insurance agent or insurance company and ask about possible discounts.

For more information on buying homeowners insurance, review the Office of the Commissioner of Insurance’s Consumer’s Guide to Homeowners Insurance, available at [oci.wi.gov/HomeGuide](https://oci.wi.gov/HomeGuide). If you have a specific [complaint](#) about your insurance, contact the insurance company or agent involved first. If you do not receive satisfactory answers, contact OCI.

**For more information or to file a complaint, visit our website or contact:**

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