



Should I Buy Earthquake Insurance



"We encourage people to buy earthquake insurance, if they can afford it."

Here's the key advice and information you need to assess your need and shop wisely for earthquake insurance:

1. Size up your risk. Use this [LINK](#) to check how prone your region is to earthquakes. If you're in a higher risk area, what sort of ground is your house built on? Bedrock is more stable than sandy soil or fill. The quality and type of structure also plays a part in your risk. Brick, for example, is more likely to shake apart than a more flexible wood frame structure.

2. Assess the cost. The higher your risk, the more expensive the insurance. Earthquake insurance on a wood frame home built in Long Beach after 1955 with an insured dwelling value of \$600,000 would cost \$1,012 in premiums per year, while the same home built of brick or other material would cost \$1,618 per year, according to the [California Earthquake Authority](#), a publicly managed and privately funded provider of earthquake insurance to participating carriers. In both cases, the deductible is a steep 15 percent or \$90,000, which is the amount of damage required before they will pay to replace or repair your home. However, deductible options down to 5% and or buy back options are available.

3. Shop around. You can usually buy earthquake insurance from your current carrier as an add-on to your existing policy or get a quote from competing insurers to find the best price.

4. Consider mitigation. You can take steps to strengthen your house against earthquake by, for example, bolting the frame of the building to its foundation. The State of California offers mitigation assistance. By reducing the likelihood of structural damage, mitigation can reduce your premium.

5. Read the fine print. Most policies cover damage to the contents of the home, but typically not if the dwelling itself isn't damaged or if you haven't yet met your deductible. To protect yourself, never assume you don't have sufficient damage to exceed your deductible; serious structural damage can be hidden behind walls, in the attic, and in crawl spaces and the foundation.

After a quake, [get a thorough structural inspection](#) by your insurance company adjuster. Insurers have an obligation to conduct a thorough and timely inspection. However, "in the past, we've seen people have problems with their insurer failing to inspect thoroughly and only finding cosmetic damage, resulting in no payment, because damages were below the deductible. So if you suspect foul play, get a second opinion from an independent engineer.

At the same time, be aware that a house fire that follows an earthquake, maybe caused by ruptured gas lines, is covered by your standard homeowner's policy, not the earthquake insurance.