



Home Insurance Deductibles and Coverage Limits

Homeowners Education

by AJ Amjad Khan

(949) 404-4349

<https://www.coastviewrestoration.com>

coastviewrestoration@gmail.com

2840 E White Star Ave, Suite 117, Anaheim, CA 92806, USA

Home Insurance Deductibles and Coverage limits

An insurance deductible is the amount of a covered claim that is your responsibility before the insurance coverage takes over. Generally, there is a minimum deductible, and higher amounts may be available. When choosing a deductible more elevated than the minimum, consider how much you're prepared to pay if you have a covered loss.

Deductibles/Limits

The amount of homeowners insurance you buy (your coverage limits) starts with your dwelling coverage. Work with your agent or Travelers representative to help you determine what range fits your needs; you likely want it to be enough to pay the estimated cost to fully rebuild your home in the event you suffer a total loss.

The coverage limits for the other standard coverages in your homeowner's policy are typically calculated as percentages of your dwelling limit. For example, suppose you decide on a \$300,000 limit for your dwelling coverage. In that case, your other limits on a homeowner's policy could be as follows:

Dwelling: \$300,000

Other Structures: 10% of residence, \$30,000

Personal Property: 50% of occupancy, \$150,000

Loss of Use: 20% of occupancy, \$60,000

You can adjust these limits. Talk to your agent or Travelers representative to learn more.

With your liability and medical payments coverages, you choose the coverage limit. Policies typically have a \$100,000 minimum limit, but you can select a higher limit. Similarly, policies have a \$1,000 minimum limit for medical payments coverage, with higher limits available for purchase. Your agent or Travelers representative can help.

A Word About Your Deductible

A deductible is the amount of a covered claim that is your responsibility before insurance coverage takes over. Generally, there is a minimum deductible, and higher amounts may be available. When choosing a more than the minimum deductible, you'll be responsible for the first \$1,500 of a covered claim. There is no deductible for personal liability coverage.

It's essential that you read your policy. There are many terms, conditions, and exclusions in a policy. You can also talk to your agent or Travelers' representative to learn what may be covered and not covered.