

Abel Insurance Agency

Risk Management & Consulting Services

PREPARING FOR EARTHQUAKE

While earthquakes are most commonly associated with California, they have occurred in 39 states over the last 100 years, and have inflicted damage in all 50 states. In fact, each year there are about 5,000 earthquakes. The potential cost of earthquakes has been growing because of increasing urban development in seismically active areas and the vulnerability of older buildings which may not have been built or upgraded to current building codes.

Earthquakes are not covered under standard homeowners or business insurance policies. Coverage, however, is available in the form of an endorsement to a home or business insurance policy.

In California, homeowners can get coverage from the [California Earthquake Authority \(CEA\)](#), a privately funded, publicly managed organization, and about 30 percent of earthquake policies are written by private insurers. Nonetheless, only about 13 percent of homeowners currently buy the coverage.”

Earthquake insurance provides protection from the shaking and cracking that can destroy buildings and personal possessions. Coverage for other kinds of damage that may result from earthquakes, such as fire and water damage due to burst gas and water pipes, is provided by standard home and business insurance policies.

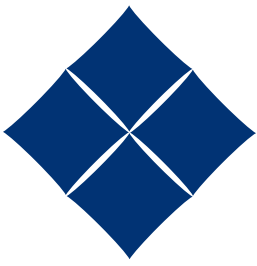
There are generally percentage deductibles for earthquakes. Deductibles can range anywhere from 2 percent to 20 percent of the replacement value of the structure. The standard CEA policy includes a deductible that is 15 percent of the home’s replacement cost. Insurers in states like Washington, Nevada and Utah, with higher than average risk of earthquakes, often set minimum deductibles at around 10 percent. In most cases, consumers can request higher deductibles in order to save money on earthquake premiums.

Unlike other disasters such as hurricanes, there are no seasons or warnings for earthquakes. They can happen almost anywhere at anytime. Everyone, no matter, where they live should have a disaster recovery plan which includes securing the right type and amount of insurance.

A few simple steps can reduce property damage and help protect you and your family from disaster.

Inside the House

- Anchor bookcases and filing cabinets to nearby walls.
- Anchor large appliances, such as water heaters, to walls using straps.
- Install ledge barriers on shelves; place heavy items on lower shelves.
- Use closed screw-eyes and wire to securely attach pictures and mirrors to the walls.
- Attach computers and small appliances to desks, tables or countertops.
- Install latches on drawers and cabinet doors to keep contents from spilling.



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The Structure of the House

If the structural elements of your home need reinforcing, you can consider investing in some of the most important and common retrofits:

- Add anchor bolts or steel plates between your home and its foundation.
- Brace the inside of your home's cripple wall (the short wood-stud wall between the top of the foundation wall and the first floor) with sheathing.
- Brace unreinforced chimneys, masonry and concrete walls and foundations.

For more tips on protecting your home and family, go to the [earthquake section](#) of the [IBHS Web site](#).