

How Private Policy Lapses Work in a Hard Market

Don't Get Caught Without Coverage

THE CALIFORNIA INSURANCE MARKET HAS HARDENED

The insurance industry has recently limited its ability to secure reinsurance. This reinsurance issue has created underwriting challenges for carriers, causing many insurers to limit their footprint in California. A smaller carrier footprint means private policy holders face fewer options and higher premiums.

But that's not all. Today, in a hard insurance market, if your home, auto, or umbrella policy lapses for non-payment by the renewal or due date of the policy, there is no guarantee that your coverage will be reinstated. If your policy does lapse there may be conditions for your reinstatement, or you may be subject to reapply for coverage. Your application may be subject to new underwriting guidelines, which could cause your premium to increase significantly, or you could be provided with less coverage.



STRATEGIES TO KEEP YOUR PAYMENTS ON TRACK

Here are some of the best ways to help keep your payments on track and make sure you aren't left without coverage during these hard market conditions:

- Enroll in automatic payments for your policies. Just keep your card up to date!
- Download your carrier mobile application. These apps often include premium reminders and methods for paying right on your mobile device.

If you have any questions about how to proactively pay your premiums or need help navigating the private risk market, please feel free to contact our Private Risk team.

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