

# What To Do When Renovating Your Home



ALCOS®

for Henry Ford Health System employees

## Know your stuff...

### Your Contractors Insurance

When preparing for a home renovation you need to understand what to expect. Before giving the OK, ask your contractors if they are licensed, bonded and have proper liability and workers compensation insurance in case something goes wrong on the job.

Your contractors need to hold proper insurance to protect them from work site accidents. Just because the contractor carries insurance does not mean the sub-contractors like plumbers, electricians or roofers are covered under the policy. They may be part time employees or carry inadequate or no insurance at all. Ensure that everyone working on your home has their own insurance or else they may seek damages from you in the event of an accident or injury. Ask to see all policies before work begins.

### Your Home Insurance

If your improvement project changes the value of your home, notify your agent. If you were to encounter a loss during or after the renovation, you want to ensure that your insurance will cover the increased value of your home. Most policies will replace your home up to 125% of it's current value; some a little more, but most have limits on what will be replaced in the event of a loss.

Also ensure that your homeowner's policy has adequate liability coverage in case a worker is injured and not covered under their own policy. For example, if a plumber passes through the garage, slips on an oil spot and breaks his wrist, you could be held liable to cover his medical bills and lost wages.

Often during a renovation, you purchase new furniture, audio/video or exercise equipment. You may need to increase the amount of insurance you have on your personal possessions. Keep receipts and add them to your home inventory.

When finishing a basement, ensure that you have sewer back up coverage. It's no fun walking into a flooded basement and not having appropriate coverage.

No matter what your renovation plans, most of them will increase the value of your home. Call Sue Hall to ensure you are properly covered by a Frankenmuth insurance policy.

### Safety First: Tips to Remember.

- Inform the contractor of your safety plans.
- Make sure the job site is secure at night. You can install motion-sensitive lighting, gates in front of driveways, and fences around the building's perimeter.
- Keep portable fire extinguishers on each floor.
- Many construction fires occur at night; make sure your burglar and smoke alarms are not disconnected. Construction dusts can trigger the alarms so cover them with plastic bags or manufactured tops during the day and remove them each night.
- Make sure the site is cleaned up each day after the work is finished.
- Post emergency numbers in convenient locations.

Sue Hall  
586.446.3616

shall@alcos.com  
www.alcos.com/hfhs



ALCOS is an independent agency of insurance experts.