

00:00:00,060 --> 00:00:24,060 Intro

[instrumental music] Welcome to the PlanVision Podcast, where we share simple, straightforward investment and planning ideas for normal people. The description in this podcast is for informational purposes only. Do not construe this as personal tax, financial, or legal advice for your situation. [instrumental music]

00:00:24,120 --> 00:00:48,180 Mark

Hey, everyone. It's Mark Zoral with the PlanVision Podcast, and this one's a little bit different. We've done a few of these in the past, and this is a discussion with a PlanVision advisor, Randall Best, who is newer to our firm as of earlier this year, 2026. And he's got some experience in the property and casualty insurance world, and so we're gonna talk through that a little bit. So Randall, what has been your experience in this area, these products?

00:00:48,620 --> 00:01:02,100 Randal

Well, Mark, I actually started out my career in property casualty insurance, selling homeowners and auto insurance and those types of things to individuals. I'd done that for, I don't know, 10, 15 years, and I'm actually still licensed for those products as well.

00:01:02,340 --> 00:01:08,340 Mark

So when you were selling them, were you a captive agent or were you an independent broker, if I'm using those terms correctly?

00:01:08,760 --> 00:01:17,660 Randal

You're using those correctly, yes. I was an independent broker, so I represented, uh, various companies and chose the best coverage for the clients depending on what they needed.

00:01:18,300 --> 00:01:41,920 Mark

Okay. So let's get into some of these actual policy types. And at PlanVision, we don't sell any insurance, but we do get many questions from our clients that relate to life insurance, long-term care, annuities, those kinds of products. But occasionally, we- we'll get questions about P&C insurance, if we wanna call it that. So maybe we could talk a little bit about umbrella insurance and how you think that works into somebody's financial plan and some things to consider.

00:01:42,480 --> 00:02:14,960 Randal

Sure. And umbrella insurance, umbrella is a common term for an excess liability policy. So it covers over and above homeowners, auto insurance, and other personal liability coverages that you may have. So generally, we recommend that people have liability coverage at least up to their net worth. And so homeowners, auto insurance may cover 3 or 500,000 limits, but you can get a million over that, up to 5 million on various companies and even higher than that, depending on what sort type of coverage that you need.

00:02:15,500 --> 00:02:30,900 Mark

So generally speaking, I have heard over the years or have been aware that umbrella insurance doesn't cost much. But I've also heard recently that some people are saying, "Well, it's a bit more." Do you have any sense of what's going on on the pricing side of, uh, of umbrella policies?

00:02:31,500 --> 00:03:00,300 Randal

Yeah. Historically, it's been very inexpensive. I mean, you could get a million-dollar policy for, you know, a couple hundred dollars a year, but it has to do with the risk. So depending on the types of things that you have, if you have young drivers in the house, if you have watercraft, pools. They even may look at the type of pets you have and the type of dogs that you have. So

over the, uh, last few years, just liability in general has gotten more expensive, so the cost of umbrella policies and general liability has gone up quite a bit.

00:03:00,860 --> 00:03:10,280 Mark

So if, if you have an umbrella policy, it's designed to cover you maybe for something a bit extraordinary that your other policies have holes in, correct?

00:03:10,720 --> 00:03:26,140 Randal

Yeah, that's exactly right, Mark. Yeah, so liability or umbrella policies will cover some coverages that may not be in your home and auto policy, such as liability, slander, and some other things. It doesn't cover any business ventures, so that's one of the things people confuse about.

00:03:26,520 --> 00:03:40,020 Mark

And there are some other notes that you mentioned with me about this, about the limits, that they may need to be increased over time. You may need to have these policies with the same provider as your home and auto insurance. Is that true?

00:03:40,300 --> 00:04:00,560 Randal

That's correct, yeah. Depending on the carrier, some want the auto insurance to do the umbrella policy because auto insurance generally provides or poses a greater risk than some other policies. But some carriers require both the home, auto, and auto policy because they wanna be able to manage and underwrite those underlying coverages.

00:04:00,860 --> 00:04:10,120 Mark

All right. Another policy that most people would have if they have a home would be property or homeowners insurance. Can you provide some thoughts on your experience with that?

00:04:10,440 --> 00:04:28,660 Randal

Sure, yeah. And the homeowners insurance is, that's one of the first products that I started to sell. And it's not just about homeowners insurance. There's renters and condo coverage as well. But the homeowners are packaged to cover several things, from the house itself to the contents of the house and to provide liability as well.

00:04:29,420 --> 00:04:36,840 Mark

So Randall, what exactly is covered with the homeowners policy, and are-- might there be some things that are not covered that are worth mentioning as well?

00:04:37,600 --> 00:05:52,000 Randal

Sure, yeah. Great question, Mark. Obviously, the first thing that's covered is the house. So if something happens to the house, it burns down or could be storm damage, depending what it is, so the replacement of the house is the first thing that's covered on there. The next thing is other structures. So some people may have a shop or other buildings or a detached garage, so it's important to look at those as well. Uh, generally that is a percent, like 10% of the dwelling coverage, so 10% of the home coverage. But if you have a shop that considerably more expensive, you need to increase some of those additional structures in the coverage. And then contents, so all your personal belongings, you know, your furniture, clothes, everything else that's in the house is covered as well under that, that policy. On some of those things, there's limitations though. So for example, on jewelry or cash or some of those items, val- high-value items, art and things, they're limited on the policy. So make sure if you have some of those things to read your policy and see what the limits are. A lot of those things you can buy extra coverage, especially for, like, jewelry or those types of things, or even cameras and guns, you can buy extra coverage for those types of things. And then liability, we mentioned that already. Liability coverage is part of the homeowner's policy as well.

00:05:52,340 --> 00:06:06,040 Mark

So liability, what might that be? You have a friend over to the house or your children have friends over to the house, or even if they're in the yard and something happens, they're injured, are you saying that the policy may cover that, or can you explain what that means?

00:06:06,600 --> 00:06:30,780 Randal

Exactly, yeah. So you have somebody over, they get injured on your property, so there's coverage for that. You have a pool or something like that and people get hurt on the, on the property, there's coverage for those types of things. There's also medical expenses, so maybe it's a minor type of thing, somebody just gets hurt, a cut or something like that, there's medical coverage as well for folks so they don't have to come after you in a lawsuit type of thing.

00:06:31,800 --> 00:06:38,560 Mark

Another question I have for you on umbrella policies, Randall, is how do they interact with retirement plans? We hear about that a fair amount.

00:06:39,380 --> 00:07:12,220 Randal

Yeah, it's a good question, Mark. Generally, your retirement plans are part of your net worth and you wanna protect that. The umbrella themselves don't necessarily protect those types of accounts individually, but ERISA plans are generally protected from lawsuits, you know, through the federal regulation. But as far as IRAs and those types of things, people generally think they're protected, but that depends on the state. You need to check with the state that you're in and see if your retirement plans, the IRAs and those types of things are gonna be protected through the state that you live in.

00:07:13,160 --> 00:07:22,040 Mark

And let's get finally into automobile insurance. Can you talk about how people might look at that and how they might shop for that and kind of what your experience was with that, Randall?

00:07:22,820 --> 00:08:24,880 Randal

Yeah, certainly. Um, generally, you know, auto insurance covers a couple things. First of all, there's, uh, liability on there. That's the major purpose of, of auto insurance. That's the major purpose of the state's, uh, liability laws as well, that you have coverage enough to cover if you injure somebody or you damage their property. It also covers your car. So depending on the type of car you have, you can get coverage for your car if it's damaged in an accident, uh, through collision coverage, or if it's stolen or a windshield breaks, something like that, through other than collision coverage. Also, uninsured motorist or underinsured motorist is another coverage that's on there. So if you are hurt or injured or your car is damaged by somebody that is either uninsured or doesn't have enough insurance to cover the damage, that's part of that policy as well. You can add other things onto it like towing and rental reimbursement. So if your car breaks down, you need it towed, or if it's damaged, you need a rental while, while it's being repaired, you can add some of those coverages on as well.

00:08:24,920 --> 00:08:39,420 Mark

Would you typically see, in your experience, a consumer is going to get a better deal if they bundled an umbrella, homeowners, and auto together? Or would you see situations where they could still find competitive rates on an individual basis?

00:08:39,880 --> 00:08:59,120 Randal

Yeah, for the most part, if you bundle the home and auto together, you're gonna get discounts on both of those, so it's an advantage to do that. Even if you don't own a home, have a renter's policy. You can get a renter's policy for your contents, for your personal belongings in your apartment, or if you're renting a house, you can bundle that with your auto policy as well.

00:08:59,540 --> 00:09:11,340 Mark

As you were working with clients, would you see circumstances or opportunities for them after two, three, four, five, six years, or maybe some claims where the consumer could get a better opportunity by shopping?

00:09:11,720 --> 00:09:48,920 Randal

Oh, of course. Yeah, it, it certainly is a benefit to shop around every couple of years especially. Rates change all the time, and what is the lowest cost now for you, you know, depending on claims and everything with those companies, they may not be the lowest cost in a few years. You've gotta take into account if you're a moving company, some will give you discounts or accident forgiveness, those types of things. So you have to take that into consideration. But yeah, no, it definitely pays to shop around. And it doesn't cost that much to do that, or I shouldn't say cost, but you know, it takes a little bit of time, but it might save you a considerable amount of money by shopping around.

00:09:49,580 --> 00:10:01,880 Mark

All right. Thanks, Ran- Randall. And certainly if you're a PlanVision client, you've got some questions, we don't sell any of this stuff, more of a sideline in our business, but you're welcome to pass along some questions to us and we'll see what we can do. Again, thanks for your time, Randall.

00:10:01,880 --> 00:10:02,540 Randal

Thank you, Mark.

00:10:02,540 --> 00:10:09,200 Exit

[upbeat music] Thank you for listening to the PlanVision Podcast. Let us know if you have any questions or comments on the topics covered.